

# *The* NATIONAL UNDERWRITER

*Life Insurance Edition*

*HOW did he  
get in?*

..... AND HOW DID  
THE STOCKHOLDERS  
COME OUT?

A CORPORATION STOCK RETIREMENT PLAN financed by life insurance will assure the smooth passage of your business through the emergency resulting from the death of a stockholder.

Under this plan, the lives of stockholders in the corporation are insured for the value of their respective holdings. Each agrees that in the event of his death, his stock will be transferred to the surviving stockholders, and his heirs will receive the proceeds of the insurance.

Thus the family of the deceased stockholder is fairly compensated. The survivors, whose interests in the business are increased in proportion to their present holdings, can continue without embarrassment.

A simple arrangement, isn't it? Yet what misfortunes have come from its neglect.

We suggest that you, as a stockholder, give serious thought to a Stock Retirement Plan for your own business enterprise. It goes hand in hand with efficient management.

A Massachusetts Mutual representative will be glad to give you full information.

*Massachusetts Mutual*

**LIFE INSURANCE COMPANY**

SPRINGFIELD • MASSACHUSETTS

BERTRAND J. PERRY, *President*



*To our Representatives: The timely text reproduced above is ready to help you capitalize on today's rich market.*

**FRIDAY, SEPTEMBER 4, 1942**

# Move Over, Billionaires

At the close of the first half of 1942, we were within sixty million dollars of having a billion dollars of Life Insurance in force.

Thus it will not be long before we join that select group of Companies in the billion dollar class. It could happen during the last half of 1942, certainly by early 1943.

The thought about it that gives us the greatest satisfaction is the security that Life Insurance means to the people who own it.

## The NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.

C. A. CRAIG, Chairman of the Board      C. R. CLEMENTS, President  
HOME OFFICE      NATIONAL BLDG.  
NASHVILLE      CHICAGO      TENNESSEE



## FACING THE FACTS

Because of the war-time economy, we are facing unparalleled conditions, not only in our national life but in our individual lives. This is true of all Americans, including life insurance men.

There are three words that describe our efforts to adjust ourselves to these conditions: *evade*, *avoid* and *meet*.

It is a temptation sometimes to try to *evade* the conditions of this war-time economy. But it can't be done.

Others of us have progressed beyond that point and are trying to *avoid* the effects of today's conditions on our business. But we can't do that either.

What we must do is *meet* conditions head-on, as we find them. We must learn to understand conditions—to accept them—and to continue to sell life insurance in spite of or even because of them.

Rationing, for instance, isn't new. We must point out to our prospects that it is they who have always determined the size of their families' "rations," and that in all probability they always will. If they do not live through this era of increased prices, they themselves will be the ones who will have dictated the provision made for their widows and children.

In other words, our prospects must face the facts. And we must face the fact that it is still our duty to show them how.

STABILITY - SAFETY - SECURITY  
  
**PROVIDENT MUTUAL**  
LIFE INSURANCE COMPANY OF PHILADELPHIA  
Pennsylvania • Founded 1865



# The NATIONAL UNDERWRITER

Forty-sixth Year—No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 4, 1942

\$3.50 Year, 20 Cents a Copy

## Hitler's Success in Caucasus May Hit '43 Dividend Scales

**German Mastery of Oil Region Would Presage Long, Costly War**

NEW YORK—The fortunes of the German army in the Caucasus may be a big factor in dividend declarations for 1943, for if Hitler makes himself master of that important oil region the conclusion will be inescapable that we are in for a long war.

A long war would mean lower interest earnings as companies put more and more of their funds into low-rate government bonds. With the impact of war deaths among great numbers of policyholders whose contracts contain no war exclusion mortality would climb from its present ultra-favorable level. The expense of doing business would rise because of the necessity of paying higher wages to hold personnel against the lure of high-paying war industries.

### Batten Down Hatches

Unless the situation of the United Nations becomes rapidly brighter in the next couple of months most life company managements are likely to feel that the sensible course is to batten down the hatches and get everything set to ride out a long storm. Some companies will doubtless feel that their 1942 dividend scales adequately discount the effects of a protracted war but some very well informed actuaries feel that if the impression becomes general that the war is going to be a long one there will be a good many dividend cuts this fall.

With the possible exception of an opportunity to unload foreclosed real estate to an inflation-conscious public, there are no effects of a war which are on the favorable side, as far as life company operations are concerned. On the other hand, it is not difficult to find arguments for bolstering surpluses still further against whatever contingencies the future may have in store.

## New York Life Joins Life Insurance Institute

New York Life has joined the Institute of Life Insurance, increasing to 113 the number of member companies. So far this year there has been an increase of 11 companies in the membership.

## Canadian Superintendents Cancel Convention

In view of present war conditions the annual conference of the Association of Superintendents of Insurance of the Provinces of Canada scheduled to be held Sept. 14-17 has been canceled.

## Give Program of Selection Men

**War Problems to Be Treated; Meeting Set for St. Louis, Oct. 15-16**

The program of the annual convention of the Institute of Home Office Underwriters Oct. 15-16 in St. Louis will deal with war problems, President W. E. Jones, chief underwriter life department of Provident Life & Accident, has announced. A decision to devote the meeting to this subject was reached after a canvass of the executive committee.

The session will be a strictly business one, with present day underwriting problems being emphasized. The meeting originally was scheduled for Cincinnati, but was changed to St. Louis because of hotel accommodations.

### Jackson and Shepherd Scheduled

Henry H. Jackson, actuary National Life of Vermont, and Pearce Shepherd, associate actuary Prudential, will be the two feature speakers of the convention, and will appear the opening morning. Mr. Jackson will discuss "The Education of the Underwriter" and Mr. Shepherd "The Economics of Industrial Underwriting."

On Thursday afternoon the ordinary case clinic and the industrial round table will be held simultaneously in separate rooms. Studies will be made of actual cases submitted from member companies as collected by Harry Simons, Bankers Life of Nebraska, and Carl Huber, Bankers National Life of New Jersey. The industrial round table sessions will also include the presentation of several prepared papers.

On Friday morning five timely subjects will be discussed. Homer Pratt, Kansas City Life, will be in charge of this session. The subjects and their leaders are: Underwriting defense occupations where inspection companies are unable to get information relative to specific duties, William A. Field, St. Louis Mutual; reinstatement of policyholders now in military service and amending or issuing policies with a war clause, Robert B. Caplinger, Reserve Loan Life; with wives now being employed under present emergency, should usual consideration be given to insurance in force on husband? H. M. Shoemaker, Volunteer State Life; what is meant by civil defense and what types of business or duties does it involve? Charles J. Smith, Pan-American Life; war time applicants, especially those in military and naval service and those subject to call, Hugo L. Soll, Capitol Life.

"The Mortality Effect of Minor Impairment" will be discussed at the Friday afternoon session by Dr. H. C. McAlister, reinsurance medical director of Lincoln National Life. In addition three papers relating to occupational hazards in three important defense industries will be given: "Airplane Industry" by Howard C. Smith of the Retail Credit Company; "Shell Loading Plants" by Barrett Woodsmall, American Service Bureau, and "Ordnance Plants" by F. David Meacham, Hooper-Holmes Bureau.

The institute has several new members: Federal Life & Casualty, J. T. Morfin, underwriter; Commonwealth

## May Defer Move to Alter Nonforfeiture

**Expect Postponement of Proposed New Bases Until After War**

NEW YORK—Because of personnel shortages in home office actuarial departments it would not be surprising if the effective dates of any new non-forfeiture measures that are enacted are postponed until after the war.

Just prior to the 1942 session of the New York legislature Superintendent Pink sent a circular letter to all companies licensed here stating that "amendments which would substantially change the method and basis for determining minimum non-forfeiture values . . . will probably be considered at the next session of the legislature," and asking "if you anticipate serious administrative or other difficulties in the event that the proposed changes for policies delivered or issued for delivery in New York should be made effective for issues on or after Jan. 1, 1944."

### Would Complicate Matters

A number of companies indicated that such a move would cause complications. While the law was not enacted, the personnel shortage has become increasingly acute and it is likely that actuarial departments will have a more and more difficult time keeping up with their regular work without taking on the extra job of working up new tables of values for inclusion in rate books and policies.

On any of the bases that have been proposed the surrender value provisions in the policies would be somewhat more complicated than the present practice of merely stating that a surrender charge not exceeding a specified amount will be made.

Many companies do not feel that it should be considered holding back the wheels of progress to postpone the effective dates of the new legislation until after the war. Some would like to see the dates tied in with the war's conclusion, except for the danger that this might not be a definite date that could be readily defined on the statute books. One difficulty that the companies very much wish to avoid is being compelled to use the new values in some states and not being allowed to use them in others. This would mean using two separate editions of rate books and two different sets of policy forms, which would obviously considerably increase the expense and complexity of doing business.

While under normal conditions there would be no reason to delay the effective dates of the new non-forfeiture values it is felt that to require such a step during wartime would entail needless hardship and produce no appreciable benefits. For one thing, most companies are already allowing the surrender values they feel they can afford and the new basis would not be very much different from what they are giving currently.

Life, J. Robert Hoffman, secretary; Reliable Life, George H. Singer, assistant secretary, and Postal Life & Casualty, E. O. Kunau, vice-president.

## Canadian Boom Continues Under Tax Impetus

**Sales Gain With Deduction from Compulsory Savings Feature a Spur**

Producers in this country who have been following the life insurance sales trend in Canada as a possible indicator of what to expect here will be thrown off the track if they don't take into account the special condition in Canada which accounted for the 37 percent increase in sales of ordinary life in July as compared with the same month of 1941. That big gain seems have been due solely to the amendment allowing deduction of new life insurance premiums to a limit of \$100 a year from the compulsory savings feature of the Canadian income tax.

There may be deducted from the compulsory savings tax premiums for life insurance policies that were in force June 23, 1942, pension fund payments, annuity payments, principal payments on a mortgage. The deductions relating to prior obligations would not have stimulated the sale of new life insurance but the provision for deducting one-half of the first year's premiums and the whole of subsequent premiums on life insurance policies on the life of the tax payer which were not in force prior to June 23 has offered the agents in Canada a tremendously effective sales argument and records for July indicate that the opportunity was seized. The Canadians also continued to produce heavily in August and it is quite likely that the August record will also be very impressive.

### Limitation as to Aggregate

There is a limitation as to the aggregate of the deductions that may be claimed, but it may be assumed that the great majority of Canadians are still below the aggregate and can take advantage of the opportunity to buy new insurance as a tax off-set.

There is a provision that so far as new insurance is concerned, to be deductible, it must be on the term plan or of a type that provides for premiums to be payable throughout the lifetime of the insured or until the insured attains at least the age of 65 and for a period of not less than 30 years. The deduction by the taxpayer in any year in respect of premiums on such new policies shall not exceed \$100.

C. F. Elliott, commissioner of income tax, the other day put out a memorandum interpreting the various provisions of the life insurance deduction feature. He holds that, insofar as new insurance is concerned, a term policy, to be eligible, must be for a period of not less than five years, except in the case of group insurance.

(CONTINUED ON PAGE 13)

## SUCCESSFUL UNDERWRITERS OF THE DAY

# Vital Virtues That Must Enter Into the 1942 Model

By W. C. SCHUPPEL

Now is certainly a most opportune time for every life underwriter to take stock of his individual situation in realistic fashion, just as successful merchants periodically check up on what their competitors are doing, take inventories, and cast up their accounts to see whether they are getting ahead or falling behind.

The war admittedly has brought certain dark spots into the life insurance picture, but our more successful underwriters have discovered enough bright spots in the situation to enable them, by taking advantage of these, to show an increased production in 1942.

An analysis of their work shows that they have done this by meeting the issue squarely, by recognizing the bad sales habits they have acquired largely without realizing it, the inefficient methods they have been content to use, and the crying need for genuine enthusiasm with which to combat the defeatism that has affected a large number of underwriters in epidemic fashion.

### Getting Firmer on His Work

If you will observe this 1942 underwriter, you will see that he is studying constantly in order that he may know the life insurance business better than he ever knew it. You will find him laboring to substitute sound sales habits for the inefficient ones he has acquired subconsciously, and above all, you will see that he is tremendously in earnest about his business and enthusiastic about the future. He has a profound conviction that life insurance hasn't changed because the need for it hasn't changed and he knows it isn't going to change for the very convincing reason that human needs aren't going to change.

But most important of all, he is sold 100 percent on the idea that nothing man has ever devised can compete with life insurance; that nothing in the way of a substitute can do the job it does; and that it occupies a unique place in the lives of men which it is his responsibility to see that his prospects recognize.

### Life Insurance Religion Needed

Here, it seems to me, is the crux of the present situation. To put it in the language of the colored man—we need to "get religion"—life insurance religion. We need to be fired with the zeal that springs from the conviction that anybody who goes through life today without an adequate life insurance program is just as vulnerable as we were on December 7 and for precisely the same reason.

We have heard it said, and a good many of us have allowed the statement to go unchallenged, that a high grade bond will do everything life insurance will do; that blue-chip stocks will be a better hedge against inflation; that a fertile farm will provide a better income for the family and rise in value in the meantime; that a going business will continue to yield a man's dependents the same generous returns that it does under his management; and that this or that is, in effect, a life insurance policy plus the trimmings.

### Life Insurance Peculiar

Each of these statements is untrue, and their falsity can be shown. A good bond can not do the things a life insurance policy will do; blue-chip stocks are impossible to select, if the vanishing fortunes of men who speculate in them are any criterion; a fertile farm may or may not provide a good living, and it may or may not rise in value in the mean-

time; a going business may go on the rocks when the owner is no longer present to manage it. And absolutely nothing in the investment line can be said to be a satisfactory substitute for life insurance, nor can it provide the benefits life insurance does.

When the prospect makes statements like these, the successful 1942 underwriter challenges their accuracy and shows the prospect the absurdity of his statements. He does this with enthusiasm, supported by pertinent knowledge which he translates into convincing statements the prospect can understand.

However, this underwriter's enthusiasm isn't of the synthetic variety; it's real; and why not, since every man and woman who today carries a rate book must thrill with the pride of achieve-



W. C. SCHUPPEL

ment in spite of any misgivings he may have, as he sees the magnificent way in which the institution he is privileged to represent has responded to the needs of our nation and the urgent calls of its officials for help.

### SUPPORTS THE PEOPLE

For in the present crisis, as it has so often done before, life insurance again has rushed to the support of our people, and in the signal service it is now rendering to the nation as a whole, every man, woman and child within the boundaries of this country is its direct beneficiary, because its succor is being given to all our citizens, and not merely to those who are policyholders.

This generous response by all life companies must further enhance the standing of the institution with the public and should make every honest critic of its immediate past hang his head with shame, since he too is now receiving the substantial benefits it is contributing to the common good.

But I am happy also to be able to assure the underwriters of this country that the public is beginning to appreciate their generous contributions in the shape of the time and effort they have devoted to the sale of war bonds, even though only a short time ago this same public was beguiled into listening to criticisms directed against the life underwriter by the irresponsible and ignorant. The public is wiser now, and in its constantly growing appreciation we have the evidence of that increased wisdom.

However, I have a much more impor-

tant message for the underwriters of America, to which all of this is merely a prelude. It is this: The future of the life insurance business and the opportunity for the life underwriters present a most attractive picture, if we who are engaged in this work will but recognize it and accept the responsibility which has come to us with that opportunity.

This picture of the institution, while it admittedly contains some shadows, nevertheless discloses these fundamental reasons for our viewing both the present and the future of the life insurance business with complete confidence as to its continued growth and acceptance.

(1) People need life insurance today more than ever before in the world's history. Never have they felt so insecure as they do at this moment. They literally are hungry for security. They want something to tie to in the way of investment that is 100 percent safe. The history of investments discloses the fact that in this respect, legal reserve life insurance holds a premier position. We need to remind our prospects of this fact.

(2) People generally are making more money today than they have for many years. Indeed, many of them are making more money that they have ever earned in all their lives. Earnings have increased far more rapidly in most cases than living expenses have increased. So in spite of taxes, in spite of rising prices, in spite of everything to the contrary, we must admit there is a substantially increased national income which our people are receiving at the present time, and that this income is being rather widely distributed.

### People Making More Money

(3) There is a limited number of places where this income can be spent. Luxuries now being offered for sale are being absorbed rapidly by buyers with surplus money. No luxuries are being manufactured at this time. Soon the present supply will be gone; some are already exhausted.

Presently even necessities must be rationed, but in the meantime this surplus income of the nation is still pouring into banks. Idle money is recognized as useless money, so people naturally want to do something with it. War bonds and life insurance in combination furnish the perfect solution to this problem. War bonds are demanded in order to insure a free America and life insurance is necessary in order to keep a man from leaving a destitute family in that free America. War bonds and life insurance are in no sense competitors—they are partners and as a combination will insure well-fixed families in this free America for which we are fighting. And if a man can afford to buy life insurance only, he still is helping the sale of war bonds because his company is putting those premiums of his into their purchase, for 300 American life insurance companies since January 1 have made purchases of these bonds for more than the increase in their assets, representing not only all the new funds available but part of their old funds as well.

(4) People know more about life insurance than ever before. That increased knowledge obviously has made them think more highly of it. As a result, it is more popular today with the public than it has ever been; in fact, it is rapidly becoming a standard of comparison by which all other investments are being judged. People like to buy investments with which they are familiar; hence they will buy new life insurance more readily today than ever before if they are given the opportunity.

(5) People are afraid of inflation and are seeking an antidote for it. In life insurance they have a perfect hedge against the thing they fear. By buying a life insurance policy they are able to exchange the cheap dollars of today that have a lowered buying power for the dear dollars of tomorrow that will have an increased buying power. Those who understand this procedure will take advantage of the opportunity.

(6) Interest rates have declined during the last decade far below the traditional "6% and safety" which once was the universal slogan of the conservative farm mortgage investor. Thousands of people once considered this type of investment better than life insurance. But comparable security today brings a net of from 3 percent to 4 percent only. Meantime, the annuity options which people can buy today in life insurance contracts are bargains in the light of probable interest returns in the future. People can now do more with less for they will find it necessary to save less money than the old mortgage plan would require, and yet actually have more guaranteed income.

(7) Taxes are heavy, will be heavier, and probably must continue to remain so for years. This, combined with the low rate of interest enforced and maintained by the government, will make life insurance the one known method that will provide a guaranteed life income for a man's dependent years. Again, the annuity options to be found in present-day life insurance contracts will enable him to guarantee that income as long as he lives and yet accomplish this by saving the smallest possible amount of money sufficient to provide such an income. Heavy taxes will make people turn to life insurance as the only way out of their dilemma.

(8) The American people prefer voluntary savings to enforced savings. They hate to be forced into doing anything. It is not the American way of doing things. In life insurance they have a perfect instrument whereby with a limited sum of money anyone can build an income for his golden years on a voluntary basis. In addition to this, the life insurance plan is so flexible that it may be adjusted to meet every situation.

(9) Cooperation is an American virtue because this is a government of the people, by the people and for the people. It therefore comes easy and natural for our citizens to cooperate, because they start out to learn it the first day they attend the public schools. Thus the plan of creating an income through life insurance is a "natural" to Americans, because it is the greatest single cooperation movement ever instituted by man.

(10) Thrift is popular again. Uncle Sam tells us on the radio, in the press, over and over every day that thrift will win the war, and he's right. It will do that, and then it will keep the peace. Meantime, people want to keep their in-

### Taxes Will Be Heavier

(7) Taxes are heavy, will be heavier, and probably must continue to remain so for years. This, combined with the low rate of interest enforced and maintained by the government, will make life insurance the one known method that will provide a guaranteed life income for a man's dependent years. Again, the annuity options to be found in present-day life insurance contracts will enable him to guarantee that income as long as he lives and yet accomplish this by saving the smallest possible amount of money sufficient to provide such an income. Heavy taxes will make people turn to life insurance as the only way out of their dilemma.

(8) The American people prefer voluntary savings to enforced savings. They hate to be forced into doing anything. It is not the American way of doing things. In life insurance they have a perfect instrument whereby with a limited sum of money anyone can build an income for his golden years on a voluntary basis. In addition to this, the life insurance plan is so flexible that it may be adjusted to meet every situation.

### Cooperation is American Virtue

Cooperation is an American virtue because this is a government of the people, by the people and for the people. It therefore comes easy and natural for our citizens to cooperate, because they start out to learn it the first day they attend the public schools. Thus the plan of creating an income through life insurance is a "natural" to Americans, because it is the greatest single cooperation movement ever instituted by man.

(10) Thrift is popular again. Uncle Sam tells us on the radio, in the press, over and over every day that thrift will win the war, and he's right. It will do that, and then it will keep the peace. Meantime, people want to keep their in-

(CONTINUED ON PAGE 13)



## N.F.C. Program for Chicago Meeting Is Announced

**Five-day Gathering Sept. 28-Oct. 2 Expected to Draw Many Fraternalists**

The complete program for the annual meeting of the National Fraternal Congress to be held in the Morrison hotel, Chicago, Sept. 28-Oct. 2, was announced this week by Foster F. Farrell, manager, as prepared by T. R. Heaney, high secretary Catholic Order of Foresters, the N.F.C. president.

This has been planned as a war-time business conference with serious discussions on problems and joint planning to make the fraternal institution provide the fullest service to the nation in the national emergency. Social features have been relegated to the background, save for the annual dinner.

### Sections to Meet Tuesday

The Fraternal Field Managers Association with J. E. Little, Maccabees, presiding as president, will hold its annual meeting all day Sept. 28. The next day will be the meetings of the six sections and the Fraternal Actuarial Association. These, with their presidents include: Presidents, Francis Taptich, United Societies of Greek Catholic Religion; Secretaries, Thomas R. P. Gibb, Order of Scottish Clans; Law, George G. Perrin, Modern Woodmen; Medical, Dr. E. A. Anderson, Modern Woodmen; Press, Henry R. Freitag, Modern Woodmen; State Congresses, John H. Foley, Woodmen of the World, Denver. James D. Reeder, actuary Aid Association for Lutherans, is president of the actuarial association. The program is:

**Wednesday, Sept. 30, 9:30 a. m.**

Mural Room.  
Invocation, Rev. A. R. Kretzmann, St. Luke's Evangelical Lutheran Church.  
Greetings, Gov. Dwight H. Green of Illinois.  
Welcome, Mayor Edward J. Kelly of Chicago.  
Greetings, Director Paul F. Jones, Illinois Insurance department.  
Greetings, Col. C. B. Robbins, manager American Life Convention.  
Greetings, V. P. Whittitt, manager Life Presidents Association.  
Greetings, Dr. J. M. Laframboise, president Canadian Fraternal Association.  
Greetings, Walter C. Below, president Illinois State Fraternal Congress.  
Response, Norton J. Williams, N.F.C. vice-president.  
Report of president.  
Memorial service, Most Rev. B. J. Shell, Auxiliary Bishop of Chicago.  
Minutes of 1941 Session, Secretary Farrell.  
Appointment of sessional committees.  
Report of executive committee.  
Report of secretary-treasurer and manager, Mr. Farrell.  
Report of auditing committee, L. R. Wichman, Concordia Mutual Benefit, chairman.  
Report of law committee, L. A. Knight, Royal Neighbors, chairman.  
"Development and Progress of the Fraternal Benefit System," Mrs. Bina West Miller, head of the Woman's Benefit, and Thomas H. Cannon, high chief ranger Catholic Order of Foresters.  
Report of credentials committee, Mrs. Minnie Hiner, head of Neighbors of Woodcraft, chairman.  
Recess.

### Afternoon

Report on general welfare, Frank E. Hand, Independent Order of Foresters, chairman.  
Report on junior membership, Walter C. Below, Fidelity Life, chairman.

(CONTINUED ON PAGE 21)

## War's Effect on Claims Is Topic

**International Claim Association to Study Problems at Chicago Meeting**

Questions arising from civilian losses in the merchant marine, which in recent months has developed into one of the most difficult problems resulting from the war, will be discussed at a special seminar at the International Claim Association annual meeting in Chicago Sept. 14-15.

Four new member companies, Amicable Life, Franklin Life, Professional of Jacksonville, Fla., and Volunteer State Life, will be welcomed.

The industrial insurance seminar, conducted by V. L. Fox, Colonial Life, will take up various war problems and also review methods used by various companies in handling claims. There has been no meeting on this class of claims for several years in the association.

### Military Service Problem

Limitations and terminations of disability coverage on assured who have entered military service will be discussed at a seminar led by J. Doyle De Witte, Travelers. Methods of various member companies in handling such claims will be compared.

The effect of blackout and other civilian defense activities on accident and health coverage and on claims thereunder will be a leading topic in the accident and health seminar, conducted by F. M. Walters, General Accident.

A panel forum discussion devoted to more general questions affecting two or more seminar groups will have as two important topics a discussion of blocked life claim payments to nationals of enemy countries and of the effect of war

## High Court Upholds Annuity Premium Tax in California

SAN FRANCISCO—The California supreme court has denied the petition of Equitable Society for hearing on the district court of appeals decision holding Equitable must pay the regular California premium tax on all annuity premiums. Equitable contended that such money was not "premiums" for taxation purposes and, therefore, exempt under the law.

The court ruled that moneys collected for annuities are taxable and denied Equitable's further contention that refunds of premiums on annuities were proper deductions. The court did, however, grant that if the refund is made before the annuity matures, credit as return premium could be taken in making up the tax statement. If the refund is not made before maturity of the annuity, no credit may be taken.

The suit involves taxes for 1934. Since then the majority of the companies have been paying taxes on annuities "under protest," with the result that a considerable sum is now impounded. During 1941 the amount of annuity taxes involved would approximate \$750,000, bringing the total now due to approximately \$5,600,000 for the intervening years.

### Discuss Unlicensed Advertising

ST. PAUL—Commissioner Johnson of Minnesota, chairman of Zone 4, plans to call a meeting of his group at an early date for further consideration of radio and newspaper advertising by unlicensed companies.

clauses on claims, with particular attention to the phrase, "continental limits of the United States," used by many companies.

## Membership Record for Round Table As 223 Qualify

**1942 Marks First Time That 200 Mark Is Passed**

A total of 223 have become members of the 1942 Million Dollar Round Table of the National Association of Life Underwriters. This constitutes a new membership record and the first time in its history that the group has passed the 200 mark. Robert P. Burroughs, National Life of Vermont, Manchester, N. H., is chairman.

The 1942 Round Table includes 88 qualifying members, 87 life members, those who have qualified for three consecutive years, and 48 life and qualifying members.

Since the annual meeting of the group was canceled, election of new officers is being staged by mail ballot.

Ron Stever, Equitable Society, Pasadena, and A. J. Ostheimer, III, Northwestern Mutual, Philadelphia, members of the executive committee, are polling the membership to obtain ideas and plans of operation which have proved effective the past year. This material will be edited and presented to the members together with a message from Denis B. Maduro, New York attorney, who was originally scheduled to address the Round Table meeting.

A list of those members whose names have not yet appeared in THE NATIONAL UNDERWRITER follows:

**Life and Qualifying:** M. Lee Alberts, Equitable Society, Chicago; Oscar E. Carlin, John Hancock Mutual, Columbus, O.; Paul Dobson, Northwestern National, Minneapolis; William T. Earls, Connecticut Mutual, Cincinnati; Arthur A. Ebenstein, Union Central, Beverly Hills; James E. Fitzgerald (now deceased), Fidelity Mutual, San Jose; Leopold V. Freudberg, Massachusetts Mutual, Washington, D. C.; Walter N. Hiller, Penn Mutual, Chicago; Jack Lauer, Cincinnati; John R. Mage, Northwestern Mutual, Los Angeles; H. Kennedy Nickell, Connecticut General, Chicago; Harold S. Parsons, Travelers, Los Angeles; Henderson L. Peebles, Northwestern Mutual, Charleston, W. Va.; Roderick Pirnie, Massachusetts Mutual, Providence; Lester A. Rosen, Union Central, New York; H. Ben Ruhl, Northwestern Mutual, Detroit; Leon Gilbert Simon, Equitable Society, New York; Ron Stever, Equitable Society, Pasadena; George W. Stewart, Penn Mutual, Pittsburgh; Dix Teachenor, Kansas City Life, Kansas City; John O. Todd, Chicago; Malcolm D. Vail, Northwestern Mutual, Chicago.

**Qualifying:** William S. Allen, Jr., Northwestern Mutual, Chicago; Roswell P. Bagley, Northwestern Mutual, Buffalo; G. Nolen Bearden, New England Mutual, Los Angeles; Charles S. Beck, Northwestern Mutual, Toledo; Harry Boverman, Metropolitan, Brooklyn; Lewis C. Burwell, Jr., Fidelity Mutual, Charlotte; Tressler W. Callihan, Home Life, Boston; Richard W. Campbell, Fidelity Mutual, Altoona; James T. Causey, Mutual Benefit, Atlanta; Harold M. Charlap, Sun of Canada, Philadelphia; Edward Choate, New England Mutual, Los Angeles; William T. Cline, John Hancock Mutual, Chicago; Arthur G. Crimmins, Langley Field, Va.; J. Welldon Currie, Mutual Benefit, New York; George C. Driesbach, Home Life, Rockford, Ill.; Ernest H. Earley, Northwestern Mutual, Brooklyn; Miss Ethel N. Elmer, Connecticut General, Chicago; F. W. Felkel, Commonwealth Life, Anderson, S. C.; Irving Freed, New York Life, New York; Paul S. Gesswein, Home Life, New York; Herman V. Haas, National of Vermont, Cleveland; J. F. Habegger, Northwestern Mutual, Seattle; John D. Hibbard, Grand Rapids; Royce W. Jackson, Massachusetts Mutual, Detroit; Newton H. Johnson, Aetna, Toledo; Michael G. Kletz, John

(CONTINUED ON LAST PAGE)

## THE LITTLE PIG BANK

When we were children, most of us kept a pig in the parlor, a little china pig with a slot in its back, into which slot we dropped our thrifty pennies until the time came to shake down the pig and spend the fortune!

Many an underwriter has found that a life insurance prospect who balks at the thought of a sizable annual premium will respond favorably to the pig bank idea in which dimes and quarters are saved with periodic regularity and so make painless the acquiring of the necessary money with which to keep in force a policy of life insurance.

All over the land there is a great buying of War Bonds, and life insurance men have given much time to encouraging regularity of thrift through the Salary Allotment plan toward a steady program of buying War Bonds,—a wholly admirable service to the country and to the people of the country.

But often a man, woman, or child, who honestly doubts ability to save \$18.75, \$37.50, \$75, \$375, \$750, to buy a War Bond, will quite easily be started on frequent visits with a dime, a quarter, a half, or a dollar, to buy War Stamps, and the War Stamps occasionally turned in for a War Bond. The tinkle of coins is more easily heard than the rustle of folding money.

\* \* \*

## THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Give Terms of Bill to Save Policies of Isolated Insured

WASHINGTON—The proposed bill which has been drafted with the aim of protecting the insurance of policyholders in occupied or isolated regions is quite specific as to the various contingencies it would cover. It would include not only policyholders of American companies but persons insured by the United States branches of alien insurers.

It applies to citizens of the United States and to citizens or subjects of this country's allies in the present war who have been or may be in the future residing or detained in countries or localities which have at any time since Dec. 7, 1941, or which hereafter may be, occupied, besieged or isolated by the forces of an enemy of the United States for a period of 90 days or more. Such policies would have to have been in force under premium-paying conditions at the beginning date of such 90 day period.

### Provisions of Guarantee

The proposed act provides that these policies shall not lapse during the period that the policyholders reside, or are detained in places subjected to occupation, siege or isolation and that the policies shall not lapse for one year after the termination of this condition and that the United States will graduate the payment of premiums falling due within such period. If the amount of these premiums and interest thereon is not greater than the cash value of the policy at the termination of the period of protection granted by the act the amount shall thereafter be treated by the insurer as a policy loan but if such amount exceeds the then cash surrender value of the policy the policy shall terminate and the United States will pay to the insurer the excess of indebtedness over and above the cash surrender value of the policy.

The bill provides that "no...citizen or subject who heretofore has borne, or hereafter shall bear, arms against the United States or any of its allies in the present war or who has been or hereafter shall be guilty of treason or espionage against the United States or any of its allies or who heretofore has given or hereafter shall in any manner give aid or comfort to the enemy of the United States or any of its allies shall be included."

### Original Draft Modified

As a result of conferences with life insurance representatives, including officials of United States Life, the present form of the bill includes a number of modifications that were not in the government's original draft. For example the first form did not include alien insurers' United States branches. Another change amends the definition of "policy" so as to make the legal reserve, not the level premium, the basis of eligibility. Otherwise an increasing or decreasing term policy might not be covered. It also stipulates that the occupation, siege or isolation must be by an enemy of the United States.

The original draft would have set up a requirement as to the impossibility of paying premiums but this was omitted in the final version as impossibility would be difficult to prove.

Another modification concerns the insurers' duty to furnish to the designated governmental department a report of all policies held by insured who are subject to the act. The first version would have required the companies to report all policyholders who "are known by the insurer to have been residing or detained" in localities contemplated in the act. The new version specifies "insured persons who according to the last known mailing addresses for premium notice purposes have been residing or detained, etc."

This change was considered neces-

sary because mailing addresses are the only practical source of information as to policyholders' whereabouts. The later version also includes a provision that "should the report filed by the insurer fail to include any eligible policy the insured or his legal representative may at any time prior to the expiration of the period of protection provided by this act obtain the protection afforded by this act for such policy by furnishing the required information to the department."

It was felt desirable to provide that the insured or someone on his behalf should be permitted to give the necessary report if the insurer failed to do so. This would be particularly advisable to protect the rights of beneficiaries where death occurs before the insurer or insured had an opportunity to report. The reason that the name of the government department is left blank, incidentally, is that it would be left up to Congress to designate the department.

The draft now provides that after the insurer has notified the government that in its opinion a policy is eligible for protection under the act or after it has notified the insurer that it has been informed that a policy is eligible for this protection no dividends, cash or loan value withdrawal of dividend accumulation, unearned premium or other monetary benefits shall be paid to anyone or used to procure additional paid-up insurance during the period of protection except with the consent or approval of the department. If such consent is not obtained dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer. However, any right of the insured to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this section, the bill states.

Company representatives felt that restrictions on dividends and loans and surrender values should arise only from the time the insurer knows that the particular policy is under the act. As the proposal was originally drawn the policy would be eligible not withstanding the insurer's lack of knowledge that it was under the act. In spite of this lack of knowledge the insurer would have been precluded from handling any dividend in a normal way, from granting a loan or from paying out the cash surrender value. The bill would authorize to be appropriated out of the Treasury such sums as would be necessary to carry out the provisions of the act, which would be known as the life insurance conservation appropriation. The act would take effect immediately upon enactment.

### Union Guardian Building Tenants Granted Reprieve

DETROIT—Orders from the army ordnance department to tenants of the Union Guardian building, including a dozen life agencies, to evacuate their present quarters by Sept. 1 were later modified by extensions of time to allow the new quarters to be prepared so there would be no interruption in business for the 250 firms represented in the skyscraper. Some firms were granted as much as two weeks' reprieve.

The Great-West Life branch under Manager A. P. Johnson will move to 3146 Penobscot building about Sept. 11. Sun Life of Canada will return to its former location on the 29th floor of Eaton Tower on Sept. 4. The Mutual Benefit general agency under C. Carroll Otto and the Connecticut Mutual general agency under C. E. Stumb will move to the 4th and 6th floors respectively of the Stroh building Sept. 12.

Northwestern Mutual general agency under C. R. Eckert has leased space on the 27th floor of Eaton Tower, with removal set for Sept. 12. The Dominion Life branch under F. W. Simpson goes to 1766 Penobscot building on Sept. 11 and the State Mutual general agency under Guy A. Reem will occupy space at 2966 Penobscot building.

### "Red" Grange Full Time Travelers Broker

Harold ("Red") Grange, the "Gallop Ghost" of national football fame, has signed a broker's contract with B. H. Groves, Chicago manager of Travelers, and is going into the general insurance business on a full-time basis. He signed the contract Tuesday and reported for work Wednesday. The Illinois department issued him a broker's license upon his meeting the necessary qualifications and passing a written examination on insurance fundamentals.

Red Grange for several years has been connected with Hinckley & Schmitt, Chicago water cooler house, and also in his spare time has been sportscasting. He will continue his broadcasts throughout the football season. However he will go through the training school in the Chicago branch and plans later to go to the home office for its agents training course.

### Many Sports Activities

The University of Illinois football phenomenon has many thousands of friends over the country gained through his several years of barnstorming with C. C. Pyle, promoter of "bunion

### Bar Group to Have Additional Officer

One of the closing actions of the convention of the insurance section of the American Bar Association at Detroit last week was to approve a change in the by-laws of the group, providing for two vice-chairmen instead of one. The change does not become effective until approved by the parent association, so only one vice-chairman was chosen at the election. He was Maj. J. H. LaBrum, Philadelphia, who was reelected. Major LaBrum had been expected to succeed to the chairmanship, but his entry into the army made this impossible. Chase M. Smith, Chicago, was elected chairman instead.

If the change is approved by the American Bar Association, it is likely that the council of the insurance section will select the additional vice-chairman.

derby" fame, and also through his being one of the founders of professional football and a noted player with the Chicago Bears for many years. He is one of the owners of that team.

Some men get tired—others keep on working.

## WORDS plus CHARACTER

"Words may be bullets, but character must be the powder back of them to give them projectile force. The man behind the message is as important as the man behind the gun."

Charles Bayard Mitchell.

The life insurance man is on the home front. He has plenty of "supplies". Through his labors the ravages of want and the evils of inflation shall be held in check. He is the man behind the message and is just as important as the man behind the gun.

## THE MIDLAND MUTUAL LIFE INSURANCE COMPANY

COLUMBUS - - - - - OHIO



## NO SUBSTITUTE FOR IT

For years men in moderate circumstances have had to rely on slow, methodical saving in order to accumulate a competence, and many turned to life insurance because it was an "insured" plan of thrift. Today practically all classes—rich and poor as well as those in middle circumstances—look to life insurance as offering the most promising way to safeguard the future.

The man who under old-time conditions might in various ways have accumulated a modest fortune for safeguarding his family must of necessity now resort to life insurance for that protection. The same policy can include a retirement income provision for himself.

To the career agent all this should give immense hope and encouragement. Always useful to a vast number of people in the past, life insurance now holds a premier position—unique and unchallenged. It is universally needed by all classes and there is no substitute for it.

## THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE U. S.

393 Seventh Avenue  
New York, N. Y.

Thomas I. Parkinson  
President



## History of U. S. Insurance Sold During Last War

In response to an inquiry from THE NATIONAL UNDERWRITER for certain historical data on the U. S. government life insurance that was sold to those in the armed forces during the last war, Harold W. Breining, assistant administrator of the Veterans Administration, has written as follows, giving some facts of particular interest to life insurance people:

"During the period of the world war and thereafter until converted, United States government life insurance was carried as yearly renewable term insurance. The War Risk Insurance Act approved Oct. 6, 1917, and the World War Veterans' Act approved June 7, 1924, provided that, not later than five years after the termination of the war, yearly renewable term insurance must be converted to a level premium life or endowment plan of insurance. By amendment subsequently passed the time for conversion was extended to July 2, 1927. Practically all yearly renewable term insurance has ceased, with the exception of

certain cases for which provision is made under the law.

"As provided in the World War Veterans' Act, the premiums, the reserves, and other values under United States government life insurance are based on the American Experience Table of Mortality and interest at 3½ percent. Every policy includes, without additional premium charge, a provision granting benefits on account of total permanent disability which operates to accelerate the payment of the claim, that is, either the total permanent disability or the death of the insured matures the contract.

"The premiums collected on yearly renewable term insurance were covered into a fund in the United States Treasury designated as the Military and Naval Insurance Appropriation. The total net amount of premiums received on account of this insurance through Dec. 31, 1941, was \$454,037,057 and to that date there had actually been paid in benefits on account of total permanent disability and death claims under military and naval insurance a total of \$2,169,027,286. It is estimated that in addition to the above amount it will require approximately \$98,485,017 to complete payment of the monthly installment benefits under this insurance. You will note that the amount of claims incurred under military and naval insurance greatly exceeded the amount received in premiums, the excess being met by government appropriation.

"The following table shows the ratio of actual claims presented under United States government converted life insurance to the expected mortality in accordance with the American Experience Table of Mortality, for the years 1919 to 1941, inclusive. The ratios are shown for the total claims, which include both total permanent disability and death, and also for these separate classifications.

Ratio of Actual Claims to Expected Mortality

Year	Total Claims Percent	Total Permanent Disabil. Claims Percent	Death Claims Percent
1919-1920	49.42	8.77	40.65
1921	81.99	30.84	51.15
1922	57.86	18.10	39.77
1923	53.36	19.74	33.62
1924	49.27	14.40	34.87
1925	59.95	23.86	36.09
1926	57.21	22.64	34.57
1927	60.56	23.35	37.21
1928	70.16	27.69	42.47
1929	73.47	27.96	45.52
1930	79.88	32.84	47.04
1931	79.41	30.24	49.18
1932	86.57	40.29	46.28
1933	81.67	31.53	50.14
1934	78.97	30.69	48.28
1935	79.57	26.33	53.25
1936	72.26	18.53	53.73
1937	80.11	25.85	54.26
1938	77.72	24.45	53.27
1939	73.65	24.80	48.89
1940	74.49	20.86	53.63
1941	82.78	21.90	60.88

"Accurate figures on the cost of administration of United States government life insurance are not available. The operations of the Veterans' Administration are so commingled because of the functional form of the organization that the exact cost of administering the insurance activities is difficult of ascertainment. All administrative expenses are paid from the general appropriation for salaries and expenses of the Veterans' Administration."

### Settle Ohio "Non-Admitted" Case

Superintendent Lloyd of Ohio has issued an order under which he states that he will consider a new application for agency license from Fred C. Holt of VanWert, O., whose license was revoked July 18 because he represented a company that was not licensed in the state. According to the order Mr. Holt has taken up and returned to the Ohio department policies of American Farmers of Phoenix, Ariz., issued to five individuals and has supplied receipts from those persons showing that he has refunded the amounts collected by him. He has also forwarded to the Ohio department a copy of a letter addressed to American Farmers, stating that he cannot sponsor anyone for that organization. Since he has complied with all the demands of the department, Mr. Lloyd is prepared to issue new licenses to him.

## Company Upheld in Policy Forfeiture on Agents Notice

The Springfield, Mo., court of appeals reversed the decision of French vs. Franklin Life. This was a suit in equity seeking to set aside the forfeiture of a policy. The forfeiture had been declared by the Franklin on nonpayment of a due premium. The plaintiff relied on evidence showing that it had been the custom of the Franklin's agent to verbally call the attention of the plaintiff to the fact that the grace period was about to expire and that thereupon the plaintiff would pay the premiums before the policy terminated, that such notice by the agent was not given before the forfeiture was declared and the plaintiff relied on the agent telling him when the grace period would expire.

Under the terms of the policy, the Franklin had the right of forfeiture of the policy for admitted nonpayment of premiums. There was no evidence that the Franklin knew of the practice of its agent to remind the plaintiff that the grace period was about to expire, and

the agent had no express authority under the policy or under the contract of employment to alter the policy in any way, the higher court held. The court concludes that the Franklin was not stopped from declaring a forfeiture because of the conduct and course of dealing of its agent. Where a company has adopted a course of conduct in giving notice or receiving premiums in arrears or has specifically agreed that it will give such notice and the assured has relied thereon, no forfeiture may be declared until such notice has been given. However, the company's right of forfeiture is not denied where a mere agent has been in the habit of calling the attention of the insured to his duty under the contract to pay the premiums as agreed in the policy.

### Asks Fidelity Assurance Bids

Commissioner Sims of West Virginia has asked 20 leading life companies whether they want to buy the assets of Fidelity Assurance, now in liquidation.

Roy Lyman, with Equitable Society in Lincoln, Neb., has been named line coach for the Creighton University football team of Omaha. Until this year he was line coach for the University of Nebraska.



"WHY NOT National Underwriter space to report what you are doing?" asked Howard J. Burridge. A sensible question... we answered "Yes."

THIS WEEK'S BIG NEWS is that the "Handbook for Women Underwriters," edited by 13 women producers, N.A.L.U.'s Woman's Committee, headed by Miss Elsie Matthews of Jack Ramsay's agency, is underway. Courageously the book will tell the story for every woman producer.

THANKS, Joe E. Karr, for your plan to use an "Altas Life Edition" of "The R & R News." For two years at least one company a month has adopted the plan, but August was zero until you wrote. So double thanks, Joe!!!

NOTICE the effective Northwestern Mutual ads in Fortune? Milton Elrod, Jr., R & R's Tax Editor, built the coordinating sales aids and Larry Evans reports excellent results.

MR. PALMER, back from the Insurance School at the University of Kansas, tells me that the Great National group enrolled in R & R's Supervised Study Plan by S. J. Hay, heads the class in completed field work reports and questionnaires. Congratulations on a fine group, Mr. Hay!

**THE INSURANCE RESEARCH & REVIEW SERVICE**  
INDIANAPOLIS

## The PERSONAL INSURANCE SALESMAN

EVENTS have never before so clearly shown the advantage enjoyed by the man whose company gives him not just one, but all three forms of Personal Insurance—Life and Accident & Health and Group. He loses no sale for want of the proper policy form.

Occidental Life prides itself on giving its salesmen every known form of Personal Insurance—and pays them lifetime renewals on each. Thus Occidental salesmen need pass up no sales.

**RESULT:** Total new premium production by Occidental salesmen the first 6 months of 1942 exceeded that for the same period last year by 17%.

For further information, write to  
V. H. JENKINS, Vice-President

### OCCIDENTAL LIFE

INSURANCE COMPANY OF CALIFORNIA

LOS ANGELES



## Salary Budget Plan Offers Opportunity for New Business

### Success Achieved in This Line by a Mutual Life Team

The many important advantages to the agent of salary savings insurance are well demonstrated by the experience of the partnership of George W. Johnson, Cincinnati and Ralph E. Pearson of Middletown, O., both with the Mutual Life. This team, after many years of other life insurance background, started concentrating on salary savings early in 1941 and within a year had 25 medium-sized franchises in operation through which they have frequently written 10 to 12 lives a day. Five of the firms are now insured 100 percent and all the others have at least 85 percent employee participation.

Commenting on what the plan has meant to him, Mr. Johnson emphasized that in all his 30 years of life underwriting, nothing had been so good for his morale as the way salary savings applications continue to roll in almost daily. When one solicits the head man for the salary deduction plan, he points out, he is actually working on perhaps a hundred or many more prospects, and thus he automatically solves his prospecting problem. Once set up, he becomes the insurance adviser for the organization and for many of the employees' families.

#### Getting Started Right

Getting started right is of course the problem. Before Mr. Johnson and Mr. Pearson go to a new company, they do a lot of careful preliminary work, gathering information, etc. Then they make a special effort to secure the interview under favorable circumstances by arranging for the right introduction through mutual friends or business associates. The first objective is to sell the basic plan to the employer, including the employer's contributions—an essential, without which they will not proceed on a case.

The most effective selling point, they find, stresses the importance today of the employer—employee relationship. What is good for the employee is good for the employer and it is on this appeal that most of their franchises have been set up. In a number of cases the salary savings plans with a generous percentage of employer contributions have been sold to take the place of bonus plans, by telling how the average employee soon learns to anticipate and even spend bonuses in advance, which defeats one of the main objectives of bonus plans—namely to provide extra money for savings. Under salary savings insurance the employee is automatically saving money, which is what his employer desires—and furthermore does it easily and enjoyably.

#### Has Replaced Some Group

Premium budget insurance, the Mutual Life's name for salary savings has likewise replaced group insurance in a number of their cases. Here Johnson and Pearson use the common arguments for permanent forms instead of term insurance showing that not only are permanent forms usually more desirable for both the employer and employee but that in all types of businesses having fairly stable employment, are decidedly cheaper in the long run. Once the franchises are set up, the simple insurance needs, clean up funds, short period, incomes, etc., are featured to the

## Holds Ohio Law for Mutualization Is Unconstitutional

In a case brought by policyholders of Union Central Life and Ohio National Life, Judge Wannamaker of the Summit county common pleas court at Akron held that the new Ohio statute permitting insurance companies to change from a stock to a mutual company is unconstitutional. In each case the policyholders sought to prevent mutualization.

The petitioners held that the money necessary to pay off the stockholders would be taken from the companies' assets and thus would affect adversely the financial position of the company. The insurance companies held that if there had been no stock in the first place, the holders of policies would have benefited by dividends received by the stockholders.

Judge Wannamaker held that the Ohio statute involved in the case is unconstitutional for the reason that it impairs the obligation of contract without due process of law. He declared that the rights of policyholders in an insurance company should be protected through the same method that corporation laws protect a dissenting stockholder in the reorganization of a general corporation.

#### Theory of the Court

"The court . . . cannot help but contemplate the predicament of a policyholder, who, had he wanted a mutual company, would have purchased in a mutual company," the court stated. "By this legislation provided, he has no way of getting out of the relationship that the state undertakes to make for him against his consent with an entirely new and different party. True, he may take his cash surrender value, but where could he again get that coverage at the premium rate? And suppose he has lost his condition of health that makes him further insurable.

"In other words, if he does not want a mutual company, with which every citizen in America is entitled or not entitled to contract as he sees fit, he must give up these things which no one could declare was not a loss to him."

The court stated that Union Central had increased its outstanding stock by stock dividends from \$100,000 to \$2,500,000 and that during the last 24 years it had paid \$2,486,000 in stock dividends; that the company had always established \$20 as the value of its stock and that it now wishes to retire it at \$25.

Superintendent Lloyd said that the department is interested in the case only as a friend of the court and that he feels the case is so important it ought be carried to the supreme court.

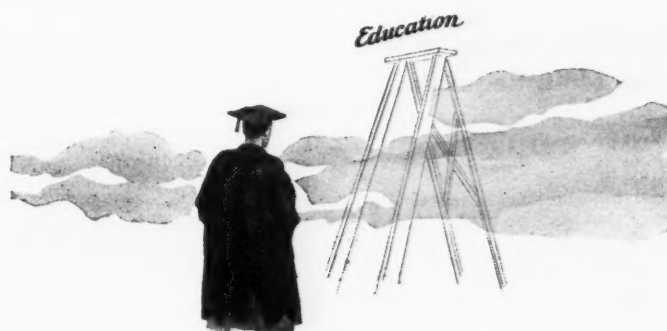
#### Munster to Occidental Life

William A. Munster, for several years actuary of Postal Union Life, has gone with Occidental Life of California as chief clerk in the home office group department. Mr. Munster is one of the well known actuaries on the coast.

#### Whitney Before Supervisors

R. C. Whitney, Connecticut Mutual "millionaire" in Chicago, will talk on "Getting Business Today" at the first fall meeting of the Life Agency Supervisors there Sept. 10.

employe, using low pressure but stressing the employer's endorsement and contributions. With new prospects very little emphasis is put on social security or on a complete program at first, the idea being to get as many started as possible and from the information thus obtained to develop planned programs later on where there are obvious needs or real insurance situations. To keep constantly on the alert for new prospects, either Pearson or Johnson contact every one of their franchisees every six weeks the year around.

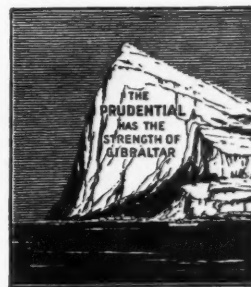


## You Can't Climb a Ladder Without Rungs

When a father urges his son and daughter to prepare themselves for college, he should do something to make their matriculation a certainty.

If he dies before they reach college age, without having so assured their education, he has in effect left them a ladder without rungs on which to do this climbing.

It is your privilege, as a life insurance agent, to show him how he can use endowments to provide funds for such a purpose.



**The Prudential**  
Insurance Company of America

Home Office, NEWARK, N. J.

## War Plant People Still a Problem

### Hard Work Seems to Be the Main Requisite for Success

DES MOINES—Selling the defense worker is still a problem in this territory and the answer found by the successful agent is simple—hard work. A survey of the general agencies in Des Moines gives conclusive evidence that the agent who has changed his working habits like the working man and who doesn't mind night hours and hard work is getting a good share of the defense workers.

Likewise the agents in the rural territories who don't mind getting up and talking with the farmer before milking time or calls at the farm house after the chores are completed at night are also getting the business.

#### W. B. Mahaffa's Success

One of the shining examples of rural salesmanship is W. B. Mahaffa, star salesman of Bankers Life of Des Moines with headquarters at Rockwell City. He topped all other Bankers Life agents in the country for the first six months and his weekly work sheet shows 88½ hours during an average week.

Because of the record-breaking farm income this year the rural communities offer one of the best fields for prospects in the nation, a field that has been only partially worked and is unique in itself.

Discussing the approach to farm selling, general agents are fairly well agreed that it takes an agent with farm background or exceptional knowledge of the traits of the farmers.

The 20-pay life policy is the best seller, although ordinary life is good. The average farmer knows these two types of policies. He doesn't like trick policies or fancy setups. He wants it so he can understand it.

#### Wife Is Contacted

Two methods of making interviews are used by the successful rural agents. In one, the agent contacts the wife and arranges for an interview with the husband when he comes to town to do the weekly shopping. Or, the agent calls on the wife and arranges for the interview at the home at a specific time, usually at night or on a rainy day.

Agents in Des Moines soliciting business from the defense workers are successfully using the center of influence to secure prospects. Checking through old prospects, sometimes discarded, the agent many times finds his client is now working in a defense plant. Calling on these prospects he usually can find additional prospects. Whenever a sale is made, additional names are secured.

Agents used to calling on the white collar trade are finding it difficult to write any of the defense workers unless they make night calls.

#### Make Night Calls to Make Money

As L. E. Graber, Iowa manager of Travelers, puts it, "the man making night calls is making money." Mr. Graber claimed that new agents are better at making night calls because the production man is hard to change in his habits.

Floyd Fickes, district manager of John Hancock, reported his agency is \$300,000 ahead of last year and largely accountable for this is the industrial or defense worker business. He pointed out his industrial agents have natural contacts in making night calls and this business bears him out.

W. K. Niemann, Des Moines manager of Bankers Life, is strong on using the

## Cold Canvass Can Be Used in Getting at Defense Workers

Vice-president R. C. Price of the Jefferson Standard Life, in speaking about defense workers as insurance prospects states that here is one place where the company has found that cold canvass



R. C. PRICE

works well. He comments as follows:

"I know there has been a lot written pro and con, mostly con, about cold canvass. In selling defense workers, however, we believe it is the only practical method of operations.

"I recently visited the shipyards in Wilmington, N. C., with our district manager in that town. We went to where the defense workers were living in trailer villages and some in houses built by the government. They were all highly paid and a good class of people. Our manager by meeting the folks in one trailer or house could easily move on to the next trailer or house. Then, too, the credit report job was simplified by writing business in this way. Of course, the credit company has to be in close touch with the personnel department of the employing firm.

"There are 10,000 working in these particular shipyards so you can see how many houses there are, and how many prospects this particular man has. Night work is good, but it is not the only time as men work on different shifts. There is plenty of work that can be done between 10 a. m. and 6 p. m. Incidentally the manager referred to is making a good living out of writing these defense workers."

## Insurance Teachers to Hold Convention, ODT Approves

The American Association of University Teachers of Insurance will go ahead with its annual convention in Cleveland next December, probably around Christmas. Dr. C. A. Kline, University of Pennsylvania, secretary, notified the membership that representatives of the Allied Social Science Associations, of which the insurance teachers group is a unit, had discussed the matter with the Office of Defense Transportation and been assured that there is no official objection to holding the meeting.

"center of influence" method and it has been working for his men as his agency is the leader in production so far this year for Bankers Life.

E. H. Snow, general agent Aetna Life in Iowa, claims it is a matter of prospecting. "The man who won't see new prospects will be out of this business," he stated.

## Commissioners' Special Committees

OKLAHOMA CITY—Special committees for the National Association of Insurance Commissioners, announced by Commissioner Read of Oklahoma, secretary, include:

Non-forfeiture benefits: A. N. Guertin, New Jersey, chairman; Russell O. Hooker, Connecticut, vice-chairman; Charles Hughes, New York; R. R. Haffner, Illinois; F. E. Huston, American Life Convention; John A. Thompson, Actuarial Society of America, and Charles A. Taylor, American Institute of Actuaries.

Commissioners' non-forfeiture benefits committee: C. A. Gough, New Jersey, chairman; John C. Blackall, Connecticut; Louis H. Pink, New York; Paul F. Jones, Illinois; William A. Sullivan, Washington; George A. Bowles, Virginia.

Committee to confer with war and navy departments: John C. Blackall, Connecticut, chairman; Louis H. Pink, New York; Charles F. J. Harrington, Massachusetts; John B. Gontrum, Maryland; Albert F. Jordan, District of Columbia.

Chairmen of the convention zones

## Convention Dates

Sept. 14-15, International Claim Association, Chicago, Edgewater Beach Hotel.

Sept. 28-Oct. 1, National Fraternal Congress, Chicago, Morrison Hotel.

Sept. 30—Life Office Management Association, Business Session, New York City.

Oct. 5-8, American Life Convention, Chicago, Edgewater Beach Hotel.

Oct. 15-16, Institute of Home Office Underwriters, St. Louis.

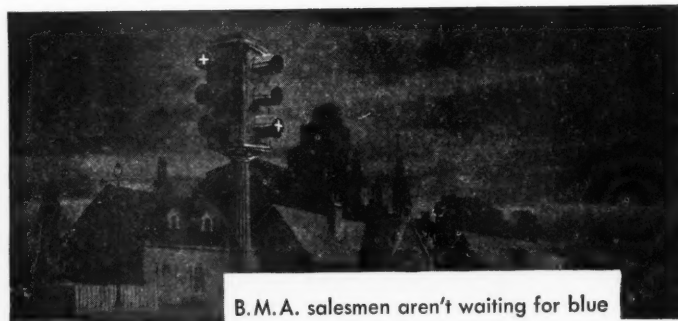
Oct. 19-21, Actuarial Society of America and American Institute of Actuaries, Royal York Hotel, Toronto.

Oct. 24, Illinois State Association of Life Underwriters mid-year meeting, Peoria.

were announced as follows: No. 1, John C. Blackall; No. 2, George A. Bowles; No. 3, Edward L. Scheufler; No. 4, Newell R. Johnson; No. 5, Luke J. Kavanaugh; No. 6, Seth B. Thompson.

James H. Copeland, general agent in Davenport, Ia., for Northwestern Mutual Life, is general chairman of the united war and community chest campaign there.

*No blackout on effort!*



B.M.A. salesmen aren't waiting for blue skies or the all-clear signal to carry on with the important job of protecting the Home Front. They cannot stop death or destruction but they can lighten the burden that falls upon those who are left behind. ● They can keep incomes going when sickness or accident make their inevitable calls and pay hospital bills in time of need. They can put children through school and bring the joy of financial independence to old folks. ● That's what B. M. A. salesmen can and are doing every hour of every day because they want to get this war over with as much as you and I.

**BUSINESS MEN'S**  
*Assurance Co.*

KANSAS CITY, MISSOURI



## Industrial Agent Has an Advantage With Wage Earners

### Great Work Is Being Done by Rate Book Men in Debits

NEW YORK—The importance of the wage earning group in the present life insurance market has given the man on the debit an advantageous position in that a large number of the people best able to buy life insurance now are those with whom he has been in frequent contact. He has contacted these people regularly on his weekly collection visits. Because of his close personal relationships with the family, he is aware of any improvement in the family's financial status. The industrial agent, however, has had his problems and the situation is not one of having business merely fall into his lap.

A good industrial man does not simply write a "policy" any more than a good ordinary agent would. He has been taught to analyze situations and place policies for specific purposes, whether the premium is payable weekly or annually. So far as his life insurance work is concerned, he is merely offering a broader life insurance service to his prospects and his "nest," outside of the ordinary business which he writes off his debit, differs from that of the ordinary agent only in that it is defined geographically rather than by limits which ordinary agents have in a particular business, industry, or profession.

#### Industrial Man an Educator

The industrial man's great contribution to the national economy is that he has been an educator. He has educated people on the value of systematic savings, of putting something aside regularly for the rainy day. In the days when thousands of immigrants were flocking to this country, the industrial agent was often their first contact with American institutions and American ideals. The industrial agent's duties in this respect have been multiplied many fold by the contingencies of war time. The Federal government has instituted a program of thrift and savings. With the thousands of big money wage earners who have been put on the war payrolls, young men, often in their teens, who perhaps had previously earned a maximum of \$15 a week are earning \$60 to \$100 a week and these salary surpluses must be siphoned off into savings if inflation and a rush for the relatively few consumers' goods are to be avoided. Here the industrial agent has an important part. He is not only talking to these workers about life insurance, but he is selling them tremendous quantities of war stamps, voluntarily and without compensation.

#### Personalized Insurance Service

The debit system of industrial insurance might be characterized as the ultimate of personalized life insurance service. The problems arising from the war of gasoline, rubber, and automobile restrictions are causing the industrial agent to readjust his operating methods and certainly one of the important effects of the war on industrial insurance is that he is not able to give as personal a service to his policyholders.

Directly as a consequence of this situation, the good industrial agent is systematically getting his policyholders to pay their premiums in advance. He

is also educating them to pay less frequently, particularly on rural or scattered debits where it is not feasible to make a back call or two. The policyholders have responded marvelously, and except in those cases where it is simply impossible for the family to pay ahead because of financial reasons, the agent has been able to educate them to the new basis with little difficulty when the reasons for it have been clearly explained.

#### Protecting the Household

In line with his service to policyholders, the industrial man has a challenge presented to him of protecting those families with life insurance where little, if any life insurance had been previously owned, and the family has an income which is beyond anything it has hitherto experienced. The indus-

trial man's training in programming and selling for needs is standing him in good stead. He is making sure that first of all, adequate coverage is placed on the major breadwinner and then protection on the other members of the family. He may have ordinary, weekly premium, and intermediate policies in force on various members of the same family. They have each been sold for a specific purpose and on the individual's ability to pay premiums, whether it is annually or weekly.

The industrial man must be able to spot specific needs for life insurance to a greater extent than he ever has before. Whether it is for family income, mortgage, educational, tax purposes or whatnot, he must be able to recognize the need and meet it with life insurance. He must know whether the prospect's needs are best served by

a high premium policy or term insurance.

In so far as prospecting is concerned, the white collar worker on his debit is apt to be in an unfavorable position from the standpoint of a life insurance purchaser. His income has remained at a constant figure and he has not benefited from the big pays which a worker in a war industry is receiving. Increases in living costs have cut heavily into income even in the cases where family income is materially improved. Frequently, although some one in the family may be earning big money as a war worker, another member may be out of a job in the transition to a war time economy and the family income is no better off than it ever was. In many plants, it is actually compulsory for the wage earner to put 10 percent of his income into war

THERE IT IS, BOB — THE FIRST AD IN  
OUR COMPANY'S NEW CAMPAIGN ...

I'M ALL FOR IT, JACK! THAT'S A SWELL SALES  
IDEA — "NO TWO FAMILIES ARE ALIKE"



BOB: Right — and it's an idea that's going to help us close more cases.

JACK: Of course it will, Bob. It sells the importance of our experience and training to millions of people ...

BOB: Over 18 million people. This advertisement runs in *The Saturday Evening Post*, *Life*, *Collier's*, *Time*, and *The American Weekly*.

JACK: It's sure going to make people think about life insurance.

BOB: And about John Hancock, so let's get busy.

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS  
GUY W. COX, President

bonds and stamps and he must do this and cut down on his other requirements.

On the whole, both new weekly premium and ordinary production are not up to last year. In considering this, however, it must be borne in mind that the agent could probably put on a lot more business than he has if he did not have his eye on persistency. The industrial man is not writing business irrespective of whether the chances of its sticking are good or not.

#### New Business Upward

In those cities where war industries are centered, such as the west coast cities, Detroit, Baltimore, Chicago, Seattle, Washington and others new business is ahead of last year and the agent is making good money. However, there is a strong realization that the present situation is a test of his ability to do a good job and after the war is over his judgment will be subject to the test of whether the business was written right by its ability to persist and by the satisfaction of his policyholders with their life insurance programs.

It may be said that the industrial agent can no longer afford to do one thing all day. He can't afford to put all of his time on collections to the exclusion of everything else. This applies particularly to debts which cover a large area. He must sandwich in service calls, ordinary calls, and calls on new homes between his collection calls.

Policyholders are being educated to have their premium money ready when the agent calls with the right change, if possible. The agent can no longer afford to call back at some time the policyholder thinks it may be most convenient. Agents find it helpful to leave an envelope so that the policyholder can mail in the premium to them in order to save a call when there is no office debit.

The agent who is successfully selling ordinary is making more night calls, making more appointments with heads of the family, analyzing family situations, selling policies with income settlements, and talking to his prospects about social security benefits.

The industrial agent who is meeting the challenge of war time conditions is doing a better job than ever before. He is selecting his prospects, analyzing their needs, and placing policies for specific purposes. He has an eye on persistency and he is writing his business "right" whether it is weekly premium or ordinary. He has a big job to do in educating people to be thrifty and put aside part of their income for the future. He is systematic in his working habits and plans his work carefully. He realizes he has a big job ahead of him.

#### Answering Objection About "Cannot Afford to Buy"

An agent in speaking of a frequent objection that is made to purchasing life insurance, "I certainly cannot afford it at this time," says that if a man has a car and is using it quite a bit he suggests to him that he could save \$2.50 or \$3 a week in gas by cutting down the use of his car for purely pleasure purposes. He explains that if he can reduce his gas cost by \$2.50 a week that means a saving of \$130 a year. He shows that he is asking him to purchase insurance and it may cost him \$50 or so. By saving his \$2.50 a week or even half of it he is thus enabled to purchase insurance to add to or to create an estate. Very often this agent says the policyholder will say to him, "If you will tell me how I can finance this insurance I will likely buy it." The prospect thinks he has stumped the agent. This agent is ingenious enough to know the habits of the prospect and suggests ways to save \$50 either through less travel with his car or some other way. He has other answers than saving in automobile expense, but it is timely now.

## Fire-Casualty Producers Turn to Life Business

Many life general agents and managers are now looking to the fire and casualty producers as a means of increasing life insurance sales. Their task is made much easier because the agencies which have in the past specialized in fire and casualty only are now anxiously trying to take on new lines to compensate for the anticipated drop in automobile premiums. This trend on the part of the life general agents and managers has been especially noted by the compilers of the Underwriters' Hand-Books who have found an increasing demand on the part of the general agents and managers for these books so that they may have the information about the local agencies in the territory in which they are primarily interested. Others knowing of the wide circulation among the fire and casualty agencies which the Hand-Book offers are using it as an advertising medium for the first time in order to get their names before the local agents. As the Hand-Book is the only publication which offers concentrated circulation in a state or group of states it thus offers the life general agent or manager an intensive circulation in just the territory he wishes to cultivate.

The fire and casualty agencies which are particularly sought after at the present time are those in the smaller towns which have been handling the insurance of farmers and who have an excellent contact among the farmers. This is territory which the life general agent or manager who is usually located in a larger city has difficulty in cultivating direct because he is, generally speaking, not familiar with the farmer's problems and he is not directly in contact with him. The local fire and casualty agency is, on the other hand, dealing with him all of the time and is well aware that at the present time the farmers are excellent prospects for life insurance because of the increased money which is flowing into their hands.

#### Helps in Closing

One general agent in a large middle-western town spends a good deal of his time planting his company in local agencies and then making calls with the local agent to close the business. He plans a trip so that he will be a day or so with a local agent in one town and then move on to another of his agents in another town. In a four days stay in one town last week he was able to close \$45,000 of life insurance with a local agent who had never sold life insurance in the past.

There is of course the problem of training the local agent to sell life insurance. This is a new field to him and the selling problems are entirely different than in fire and casualty. Some life general agents and managers are spending some of their own time in training the fire and casualty agents while others are recommending that they take various training courses and other educational material on the subject of life insurance.

This is a radical change in the setup of the insurance business and it probably will continue after the war. While in the past some local fire and casualty agencies have been handling life insurance it has been more or less of a "sideline," but once the local fire and casualty agent has been trained to selling life insurance and has made some sales he will find the effort worth while and will want to continue his life insurance connections.

Therefore, the life insurance general agent or manager who makes the effort now of planting his company in these fire and casualty agencies throughout his territory will find the effort extended much more valuable than if he waits until the "cream" has been skimmed. Local fire and casualty agencies are accustomed to examining the

## Los Angeles Agent Works Two Fields

### Sells Business Insurance and Cultivates the Professional Men

LOS ANGELES—C. Nolan Bearden, New England Mutual, says he has so far this year had some success, principally in two fields, key-man business insurance and sales to professional men, particularly doctors and dentists. Speaking of his experience he says:

"In the first instance, there has never been a time when executive ability was as important to a successful business enterprise as it is today. In almost every business there is increased income which can easily be used for the purchase of life insurance. I stress ordinary life or higher premiums as those forms not only insure the executive ability, but also provide a post-war cushion.

"The doctors and dentists in their late thirties, or older, are busier than ever before and their increased incomes have raised their sights concerning their min-

companies which they represent with keen eyes and the life men have found it worth their while to have a good case for the local agents to represent his company.

imum objective. This group is more agreeable to a review of their life insurance estate through audits and programs than they have been for the past few years. I believe that good will and prestige created in this group is exceedingly beneficial to the underwriter.

"My most satisfactory method of getting prospects comes from persons referred to me by my present policyholders. I find that the best time to get a lead from these clients is immediately after I have completed a job for them. Furthermore, I have made it a point to cultivate the friendship of every policyholder and by informal entertainment I have been able to enlarge the scope of my prospecting effort. This to me is a very pleasant and low pressure means of developing new friends who become future clients.

"At least two or three nights a week is spent in interviewing present policyholders or new prospects by appointment. My records show that these are my most profitable interviews. The biggest difficulty in today's selling is negative thinking. We must have positive thoughts and personal objectives if we are to motivate our prospects to act now.

Many agents in looking over the fence and seeing distant pastures always are convinced that if they were simply permitted to go there they would write business galore. Prospects in the next town always look better until the agent endeavors to sell them insurance and then he finds that they are no different from the ones he has been contacting.

Study "Marketing Life Insurance" by Dr. J. Owen Stalson. \$6. Order from National Underwriter.



THE MUTUAL BENEFIT PRESENTS

## Our Newest C.L.U.'s

THREE members of our Buffalo Agency completed their examinations in June and have been awarded the C. L. U. designation. We are proud to recognize CORNELIUS KURTZ, WALTER A. SCHWORM and HERBERT G. VOGT. Seventy-six members of our organization have now passed all five examinations, and seventy-three have received their C. L. U. designation. We are proud of our C. L. U.'s.

## The Mutual Benefit

LIFE INSURANCE COMPANY

Organized 1845 • Newark, N. J.



## Los Angeles Agent's Prospecting Plan

### C. V. Duff Explains the Method That Has Brought Success

LOS ANGELES—C. V. Duff, an agent of the Lincoln National Life here, is doing a good job of selling. In an interview he gives some timely observations.

"Plenty of prospects and an enthusiasm to do a good job in building up a clientele that produces a quality premium income, coupled with the use of common sense and hard work, tells the story of whatever success I may have achieved in the life insurance business. There is no secret about it. There is no miracle working.

"Some men in the business tell me they have no prospects! It is not hard to get prospects. Friends and centers of influence keep me busy with plenty of good prospects.

#### Procedure Followed

"Here is my simple procedure: Most agents will verify the fact that we have been taught through the years to ask our policyholders and centers of influence for leads. Usually this is what happens: Our center of influence will say, 'I have a man in mind to whom I will speak about you and arrange for you to see him.' In the past I have found that my center of influence generally reports to me that the man is loaded and not interested in seeing me, which of course, is the natural reaction of the prospect. Furthermore, my center of influence is not in any way qualified to present the story of life insurance to the man I want to see. Therefore, I inform my center of influence that I do not want him to see the prospect; that I am too busy to see him immediately and that all I want him to do is to give me a note of introduction on his card or a piece of paper and that when I happen to be in the man's neighborhood I will call on him. That call may not be for a week or a month or more. In almost every case I have secured this note and then at my convenience I call on the man and do the selling myself.

#### System Will Work

"This system cannot fail to produce a satisfactory volume of business and if any agent will ask any of his friends or policyholders for names and such an informal introduction, and then will see the people, he will be kept busy and make money, which builds up enthusiasm and enables him to sell more.

"This plan has not only worked admirably for me, but I have suggested the same procedure to a few agent acquaintances of mine and those who have put it into practice are delighted with the results and are making money.

"It simply changes a 'vicious circle' which so many agents complain about, into a 'victory circle.'

"Incidentally, I prefer my prospects and my policyholders to be in the \$250 to \$300 per month salary group. With this group naturally I do not do any programming.

"Much of my time is given to the service of my policyholders. This is done to fulfill my duties as a life underwriter and to keep in close contact with my policyholders at all times and they in turn cheerfully furnish me new leads.

"If every life insurance salesman would read this article to his wife and have her see that he follows this simple procedure, he could easily afford to give her a new fur coat for Christmas on the excess profits that he is sure to make. Why not try it?"

#### Oltorf Heads Leaders Club

President Theo. P. Beasley of Republic National Life of Dallas has personally rewarded with designations, certifi-

cates and pins the top producers, consistent producers, and producers of quality business for the club year ending with July.

President of the Leaders Club is J. G. Oltorf; vice-president, E. M. LeVeque; secretary, M. F. Simmons. All three men work out of the home office.

#### Aim to Die Solvently

Let us continue to sell life insurance as a property, sell it as an investment, sell it as an ideal thrift, sell it as a business opportunity; so that we, and the people to whom we sell, who have lived solvently will die solvently, and not leave bankrupt families. It is our job in life to sell the means of life in order that life may carry on beyond the grave. —C. F. Dunfee, Great-West Life, Toronto, Ont.

#### Payment by Installments

Suppose you received your salary for the next 10, 15, or 20 years in a lump sum and you were told you wouldn't get another cent. Wouldn't you say, "Pay me semi-monthly" even though you would like to have \$10,000 or \$20,000 in cash right now. I wouldn't know how to invest safely even \$5,000 under present conditions and I am certain my wife wouldn't."

## Can Capitalize on Present Troubles

### A. W. Crary of Fargo Shows How Difficulties Can Be Surmounted

FARGO, N. D.—A. W. Crary, head of the A. W. Crary Agency, North Dakota state agent for the Northwestern National Life, is regarded as one of the most successful men in his group in the northwest. In speaking of the war situation as it affects his agency he says:

"We, together with everyone engaged in the writing of life insurance, are facing the problem of production during this war period. We have found from experience that any situation which may develop can be capitalized to our benefit if we take the trouble to figure it out. While the war has drawn most of the young men, we still have the juveniles, the wage earning women, the older business men, and the farmers and their wives who are earning and handling more money than any time since the last war.

"We try to impress our men with the

fact that life insurance is the only practical plan ever devised to enable the average man to not only make a provision for his family but at the same time build up an old age income for himself.

#### Develops Prospect's Needs

"People buy insurance to cover needs. We try to teach our men not to try to sell the prospect until after he has brought out and developed the need to the extent that the prospect is definitely conscious of that need. The prospect is then ready to consider how life insurance will furnish a solution to that need.

"We have found that the more careful we are in the selection of agents the better results we obtain. We have had our best success with young men who have had to earn their own living or a good part of it from childhood, particularly where they have had to work for part or all of their expenses through high school and college. Some of our best men have sold newspapers while they were attending grade school. We have found that where a boy has had to earn all or part of his own living that he is more resourceful and less likely to become discouraged. Unless we can sell a prospective agent the opportunity in this work for him to the extent that he can visualize himself succeeding as an agent, we do not encourage him to start."



*and then...what of  
YOUR RETIREMENT?*

So much work to be done . . . hard work, different work . . . and not a minute to be lost. But when the time comes to retire, will you be able to leave your bench, or your desk, and enjoy a rest well earned? Or will it be the hopelessness of too little, too late?

In such terms during these war years, Great-West Life advertising in support of its representatives, continually stresses the need of life insurance for retirement years to come.

**THE GREAT-WEST LIFE ASSURANCE COMPANY**  
Head Office Winnipeg, Canada  
BUSINESS IN FORCE, OVER \$670,000,000  
OUR FIFTIETH ANNIVERSARY YEAR

## INSURANCE MEN CALLED TO SERVICE

### Both Murrell Brothers Are Now in Service

Weymouth L. Murrell of Murrell Brothers, Los Angeles, California state agents of Mutual Benefit Life, has been appointed a major in the adjutant general's department of the army and now is on duty in Los Angeles. T. G. Mur-



WEYMOUTH L. MURRELL

rell, senior member of the firm, is a commander in the navy, stationed in Washington, D. C., and has been in service for a year. Major Murrell served overseas in the first world war as a lieutenant.

A. H. Schneider, Aetna Life agent in Denver, has enlisted in the marines and is in training school in San Diego.

Louis C. Wolf, Columbus, O., state manager of Woodmen of the World, has been commissioned a first lieutenant in the army and has been assigned to the adjutant general's department of the Fifth Service Command at Ft. Hayes, Columbus.

National Life & Accident has more than 250 stars on its service flag. The total for Life & Casualty is nearly 150. E. T. Proctor's Northwestern Mutual agency in Nashville has seven men with the colors. The agency flag has one gold star, for Capt. John F. Outlaw, agent at Clarksville.

James L. Brader of Massachusetts Mutual Life in San Francisco has been ordered to active duty as a lieutenant in the navy. Before joining Massachusetts Mutual, he was San Francisco manager of Equitable Life of Iowa.

William H. Abell, associate general counsel of Commonwealth Life and member of the law firm of Cary & Abell, has received a commission as second lieutenant in the army air force, to take over administrative, technical or executive work, thereby relieving active flying men for service.

Lyman C. Baldwin, superintendent of agencies Security Life & Accident, who enlisted in the army last May, has been designated to attend the officers' training camp at Ft. Oglethorpe, Ga. He completed his basic training at Ft. Riley, Kan.

Harlan K. Schlicher of Fidelity Mutual Life in Topeka, Kan., who has been stationed since July at the San Diego naval training station, has been commissioned a chief petty officer and is an instructor in the navy's physical education program.

Edward J. Callaghan, supervisor in the St. Paul office of John Hancock Mutual Life, has joined the army medical corps.

Three members of the Robert R. Reno, Jr., agency of Equitable Society,

Chicago, are in the armed forces. Ensign Richard E. Adkins is stationed somewhere in the Pacific; Private Jerome L. Coleman is attached to the medical corps, Camp Grant, Ill., and Lieut. (j.g.) Llewellyn G. Owens, is stationed at Tower Hall, Chicago. Lieut. Owens has an outstanding 10 year record as a producer. Prior to going into the service he installed 17 war bond salary allotment cases, representing 1,552 employees by \$20,636 in bonds per month.

F. P. Sizer, Jr., president American Savings Life, Kansas City, is now at Miami Beach in officers' training for administrative air corps duties. Meanwhile, Thomas M. Mott, executive vice-president, has taken over Mr. Sizer's duties. Mr. Sizer has not resigned and in effect has a leave of absence.

E. P. Nowotny, Amicable Life, New Braunfels, Tex., has been inducted into the air corps as a first lieutenant. He is now at Miami Beach, Fla.

Lieut. (J. G.) H. Clay Evans Johnson, executive vice-president of Interstate Life & Accident, has been transferred from the naval headquarters in Washington to Charleston, S. C. He will be joined there by his wife and daughter.

Charles H. Bader, for the past six years actuary of Interstate Life & Accident, has volunteered for the army air corps and has received a commission as second lieutenant. He is stationed at Miami Beach for basic training after which he will be transferred to the code and cipher school at West Palm Beach. Secretary J. R. Leal will handle Mr. Bader's work for the duration.

Henry R. Glenn, assistant attorney of the Life Presidents Association, is now in the army air forces. He is in the technical school squadron at Atlantic City.

Charles F. Nettleship, Jr., secretary of Colonial Life, has been granted a leave of absence to accept an appointment on the staff in the navy department at Washington.

James B. Higgins of the W. H. Barber agency of Connecticut General Life, Newark, has enlisted in the army and is now stationed in Camp Dix.

### Pilot Life, Union Reach Agreement

GREENSBORO, N. C.—The union representing agents of Pilot Life who went on a strike April 2 for higher pay and other concessions, has just signed an agreement with the company ending the long controversy.

The agreement was signed by the Industrial and Ordinary Insurance Agents Council and Industrial and Ordinary Insurance Agents Unions 23008 and 22969, affiliated with the American Federation of Labor, and Emory C. Green, president of Pilot Life. Mr. Green said the agreement is the same one that was offered by the company early in June, but which was refused by the union. The striking agents later returned to work.

#### Affects About 60 Agents

The agreement was signed Aug. 21. George L. Russ, Washington, president of the agents' council, said it affects about 60 agents of the company in Greensboro, Winston-Salem, High Point, Lexington, Asheboro, Burlington and Leaksville, N. C., and Danville and Martinsville, Va. The contract runs until May 31, 1943.

The agreement grants agents a 2 percent increase in weekly salaries and gives each agent with a year or more of service one week's vacation a year with pay. Agents also were granted relief on business with policyholders who move out of the agent's territory. The rules governing transfer of business

within districts and transfers from one district to another also were modified. The agreement also provides for the maintenance of the Pilot Guild, which pays certain agents bonuses for maintaining 95 percent collections on the debit and certain quarterly increases. He said the company had agreed to review agents' expense accounts and confer with the union regarding proper allowances.

### Equitable of Ia., Employees Demonstrate Patriotism

Home office employees of Equitable Life of Iowa, numbering 338, are enrolled 100 percent under the company's payroll deduction plan for purchasing war bonds. They are investing more than 10.7 percent of their monthly payroll. V. L. Clark, Iowa director of the Treasury's war bond sales, in a visit to the home office congratulated F. W. Hubbell, president, and employees. Mr. Hubbell expressed appreciation to the employees for their patriotism and told them they were fortunate to make such a sound investment. He outlined other war activities of Equitable. From the home office staff, 22 men are serving in the armed forces, and two women are in training with the WAACS. There are 26 qualified air raid wardens among

### Union Central Examination Report Is Favorable

The report of a convention examination of Union Central Life as of Dec. 31, 1941, has now been released. The states participating in the examination were Ohio, New Jersey, Georgia, Minnesota, New Mexico, California, Connecticut, Virginia, Tennessee, Colorado and Oregon.

The assets were valued at \$436,059,943 which were slightly higher than what was shown in the company's statement as of the same date. Due mainly to the setting up of a separate reserve for possible future losses on real estate in the amount of \$550,000 surplus was reduced from \$9,318,954 to \$8,824,066.

The report states that during the three years under review there is a substantial improvement in the mortgage holdings and that the bond portfolio has assumed greater productions than at any time in the company's history and is free from obligations and defaults, either as to principal or interest.

the home office staff, 152 women have taken Red Cross first aid course, and 98 women are participating in the Red Cross bandage wrapping program.

## THE NEW INSURANCE MONEY MAKER

issued by the

ILLINOIS BANKERS LIFE ASSURANCE COMPANY

## THE INCOME BUILDER

1. We have a NEW PLAN to enable you to make more money in these times.
2. ONE-TENTH THE SALES, through large first commissions and large renewal commissions will return you TEN TIMES the earnings of the same volume of life insurance alone under our plan.
3. IN ONE YEAR, you build as large a renewal income as you would in ten years writing the life insurance alone under our plan.
4. This Insurance Pays All Ways:

If you live too long.  
If you do not live long enough.  
If you are disabled.  
If you have an emergency need for cash.  
ALL AT EXCEEDINGLY LOW COST.

HUGH D. HART  
Vice President and Director of Agencies

**Illinois Bankers Life Assurance Company**

MONMOUTH, ILLINOIS



## Canadian Boom Continues

(CONTINUED FROM PAGE 1)

There may be deducted premiums for life insurance under which premiums are payable throughout the lifetime of the insured. An endowment policy maturing at age 65 or a life policy paid up at age 65 is an eligible new policy if issued at age 35 or under, but not if issued at an age over 35. A life or endowment policy under which premiums are only payable for 20 years is not an eligible new policy. A policy meeting those requirements and providing for both life insurance and a retirement income to the insured is an eligible new policy only if the amount of insurance is at least \$1,000 for each \$10 of monthly income.

The memorandum points out that this disqualifies plans in which the retirement income benefit is predominant.

Also eligible is life insurance under which any eligible permanent form has a family income benefit attached.

### Can't Deduct for Group A. & H.

In connection with group life insurance, employees contributions made after the master policy has been in force one year may be deducted in full irrespective of the date of the certificate, subject to the \$100 limitation. The employee may deduct for group insurance only that portion of his contribution toward the cost of group life insurance. He may not deduct for group accident, etc.

Where an existing term policy is converted to an eligible new policy, the portion of the premium on the new policy equal to the amount of the premium on the original policy may be deducted in full and the increase in premium may also be deducted to the extent of 50 percent the first year and the full amount thereafter. In arriving at the amount to be deducted, the policyholder is required to reduce his off-set to the extent of dividends received other than those left on deposit or to provide paid up additions, which may be included in the deduction; policy loans exclusive of interest and cash values taken down.

Insofar as deductions are concerned the regulations are more liberal and virtually any form of policy or annuity is eligible.

### Vital Virtues That Must Enter 1942 Selling

(CONTINUED FROM PAGE 2)

vestments at par. During the readjustment period following the first world war, when all other investments were in trouble, thousands of people who owned life insurance gratefully exclaimed: "Thank God my life insurance is still worth par—100 cents on the dollar, even though my other investments have gone to pot!"

Subconsciously they are wondering today if, in the future, they may not face the same situation again.

### Life Saver

Only a very foolish person would attempt to prophesy exactly what will happen after this war is over. Some would-be prophets confidently insist that we shall have unbounded prosperity forever and ever. Others just as confidently declare that the direst of disasters and the worst depression in history will be waiting for us just around the corner.

The probability is that both of them are wrong, but whatever the outcome, life insurance is bound to be a lifesaver to the man who owns an adequate amount of it. If times are good, unquestionably he will find it useful, and if times are bad, he will need it more than ever.

These conditions which I have described cannot help but promote the sale of new life insurance, if we ask people to buy. Taken singly, the effect of any one of these factors may be small, but taken collectively they constitute a powerful urge to buy if only an opportu-

nity to purchase is presented in the right way.

Why, then, shouldn't every life underwriter be encouraged in the light of this picture? The records show that if we eliminate the defeatists and the pessimists among the field men, those who remain have a fertile field in which to work and that they are exceeding their production of previous years. Besides, there are 25 percent fewer underwriters today than there were a year ago. There is more protection needed by the insuring public because of their increased activities and they have more money with which to buy it.

In the light of these conditions, how can anyone help but be optimistic over the outlook? Frankly, there need be and should be only one fear. That doubt can be voiced in the single question, "Am I ambitious enough, industrious enough, willing enough to undertake this job?"

### Bank Insurance Men from Mass., N. Y., and Conn. to Hold 3-Day Rally

The mutual savings banks of Massachusetts, New York and Connecticut will hold a tri-state conference Sept. 11-13 at New London, Conn., to consider developments resulting from the expansion of savings bank life insurance in those states. The effect of war conditions, and administrative problems will also be discussed.

Senator Michael V. Blansfield, president of the Connecticut fund trustees, will speak at the opening session, which will be devoted to "The effect of war on savings bank life insurance." Granville H. Beever, president of the Massachusetts savings bank council will act as chairman. The following morning's conference on "General Administrative Problems" will be presided over by Judge Edward A. Richards, president of the New York fund. At the forenoon session on "Mechanics of Operation," Charles Diehl, president of the New York council, and Charles Whitehead of the Boston Five Cents Savings bank as co-chairmen will preside.

Leigh Danenberg, trustee Connecticut fund, will preside at the dinner Saturday night, when Governor Hurley will be the guest of honor. Commissioner Blackall of Connecticut will speak on "The War as it Affects the Insurance Business." The conference will close with the session in charge of Co-chairmen George H. Woods, president of the Bridgeport-People's savings bank; Clarence B. Plantz, vice-president of the New York savings bank, and Robert F. Nutting, president of the Cambridgeport savings bank. "Promotional Methods and Public Relations" will be discussed.

### Mutual Life Names Stone to Post in Cleveland

H. Gregg Stone, for the past two years general agent in Akron, O., for Ohio State Life, has been appointed city supervisor in Cleveland of Mutual Life under the management of George A. Patton.

Mr. Stone has been in the business for 14 years, since 1928 when he entered the field in Detroit at the age of 24. He became a representative of New York Life in Toledo in 1934, and two years later was appointed agency organizer in Detroit. Then he became general agent for Ohio State Life in Akron. He has enjoyed high standing as a personal producer and as agency organizer.

Mr. Stone has been active in war bond work, and was responsible for the institution of the payroll allotment plan in forty industrial companies in Akron. In 1941-42, he served as chairman of the membership committee of the Akron Life Underwriters Association. Mr. Stone is a native of Detroit and received his education in Detroit public schools and at the University of Wisconsin where he majored in economics.

### Federal Life Campaign Honors Chairman Hamilton

In celebration of the 78th birthday anniversary of Isaac Miller Hamilton, chairman Federal Life and Chicago's dean of life insurance executives, the month of September has been designated as Hamilton month.

Mr. Hamilton founded Federal Life in 1809, and Sept. 8 the company will observe the 43rd year of its incorporation. Federal is the oldest legal reserve life company in Chicago. Mr. Hamilton served as its president for the first 40 years and retired from the presidency on his 75th birthday, when he was succeeded by L. D. Cavanaugh.

The Hamilton month celebration was Monday when the officers, managers of the agencies in the Chicago territory, and other representatives gave a luncheon for Mr. Hamilton. Sharing honors with him was another, Vice-president George Barmore who celebrated his

birthday anniversary Aug. 29. Mr. Barmore has had more than a quarter of a century experience in agency directing, 22 years of it with Federal. He joined the company in 1920, became superintendent of agents in 1921 and vice-president in 1924.

### "Target Flag" to Pacific Mutual

For its attainment of the goal set by the Treasury department—10 percent of salary invested in war bonds—the home office staff of Pacific Mutual Life has been awarded the coveted "Target Flag."

C. F. Williams, president of Western & Southern Life has donated a blooded Hereford steer raised on his Chaswill farm to be sold at the Carthage, Hamilton county, fair in September. Proceeds of the sale are to be donated to the USO fund. Mr. and Mrs. Williams were hosts of the women of the home office at an outing at the Chaswill farm in Hamilton county.

## Our America Is Your America and My America

Together you and I can send fighting dollars to help preserve our American independence by investing at least 10% of our earnings in War Bonds.

Then you and I can each guarantee that our families shall enjoy economic independence by our individual ownership of adequate Life Insurance.

We have need of both—

War Bonds to keep them safe NOW.  
Life Insurance to keep them secure THEN.



## GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. Greenwood, President

Home Office

Houston, Texas

## EDITORIAL COMMENT

### Working Together in War Time

As we read the reports of conventions we are impressed with the fact that much benefit is coming out of those that are confined strictly to business activities. We must not forget that while we must extend every effort and do everything possible to help the fighting forces and those that are looking after their supplies and material, the folks that are keeping the home fires burning and business going on are confronted with many difficulties and problems. They should not be too severely handicapped by governmental restrictions.

These conventions serve to bring people together and discussion of the unusual difficulties and problems of the day means greater efficiency. Many of the obstacles can be overcome entirely or partly. Men sitting around conference tables or in conventions in talking over their mutual affairs, especially in a day that is fraught with so many burdens and so much uncertainty as now can get much inspiration and help.

In our opinion it is a mistake to dismiss business conventions which contribute so much to the betterment and furtherance of the special line of insurance to which they are devoted.

When people are troubled in mind there is a satisfaction in talking over a situation with others similarly situated. It is true that transportation conditions may be congested and yet certainly there are opportunities for state and regional meetings and even national conventions that study these war problems with which insurance is confronted. We must not overlook the people back home, who like the forces in the field, have much to do and are working overtime to keep the machinery moving. We do not believe that men can maintain their equilibrium through continual stress and strain. They must get together, they must have some recreation, they must get away from the awfulness of what they hear and read every hour or so.

All of us who are patriotic are willing to go to the farthest limit to back up the men in the field but in order to support them more effectively we must all stand together, understand one another, cooperate, become more efficient in our own work and we can only do that by discussing and trying to solve these common problems that are so unusual at this particular time.

### Translating Insurance Into English

The fact that the military intelligence division of the war department is including the field of insurance in making up a dictionary of terms not readily understood by the layman should furnish food for thought to those in the insurance business. Insurance men have often been cautioned against using language that though perfectly clear to themselves served only to mystify the public. Even so, it comes as something of a shock to learn that the War department is soberly embarking on the project of translating the language of insurance—and other lines too—into English.

When the military intelligence division

finishes this dictionary it will be extremely interesting to insurance men to know what terms the army considers too abstruse to be grasped readily by an ordinarily intelligent layman lacking previous contact with the insurance business. These terms should then be on the black list of every insurance man who deals with the public personally, through correspondence, or through advertising. By remembering always to use the plain English equivalents of these mystic phrases the insurance business should be able to bridge a gap which has unintentionally been left between it and the public.

### Sees Imaginary Defeat

One of the chief obstacles to successful life insurance production at this particular time undoubtedly is imaginary defeat in the future. Salesmen's minds are suffused with war talk, tax objections, uncertainties, the draft and a dozen other subjects that are being talked about almost universally. The result is that one becomes bewildered and depressed.

Regardless of what life insurance has done in the past and the great achieve-

ments accredited to it which give it tremendous momentum we are very prone to respond immediately to the conditions of the present. The life salesman does not take the offensive in an attack on these difficulties that beset him and the hurdles over which he is compelled to leap.

We can well and truthfully say that there is an imaginary conflict ahead that has its effect. We are not adapting ourselves to the changing times.

The fundamentals of life insurance remain the same. There is no difference whatever in the foundation stones on which this mighty structure is built. Temporarily there is a change in what might be called the exterior. Economic and business conditions are changing all the time.

Fortunately the evolution is rather conservative in insurance and we are not met with such a gigantic dislocation as besets many industries. The war effort merely tends to jar the life insurance structure to a limited extent. Every line of endeavor is affected one way or the other. Some businesses are completely eliminated and men are forced to find other lines to make a living as a result of these shifts.

Life insurance does not have to study ways of meeting priorities and regulations because there is no ceiling on how much an agent can sell. His main job is to find a market for his wares. There never has been a time and there never will be when there is not some sort of a market for life insurance because human and business needs which have been solved by life insurance in the past will continue to

be solved in the future, perhaps with an altered formula or program.

Like every other business life insurance is met with some factors that are causing a decline but they are beyond the control of the officials or the producers. There are other factors that seem to set the brakes but they are more or less under the control of those in the business. We are allowing ourselves, it seems to us, to be overwhelmed by those influences which are beyond our control and are giving our sole attention to them, taking a more or less defeatist attitude rather than solving the problems that are capable of solution.

Life insurance has been confronted with overwhelming emergencies that in the past might seem to be so formidable as to crush it and yet the business has come out of any conflict greater than ever. What is needed now probably more than anything else is a stronger determination, more industry and clearer thinking as to what life insurance is contributing and what it is doing for humanity. It is not being crushed nor even seriously impaired. It has its head up.

## PERSONAL SIDE OF THE BUSINESS

**Herman A. Behrens** of Chicago, president Continental Assurance and chairman Continental Casualty, has returned to his office after spending his summer vacation at Sun Valley, Idaho.

**Charles Smrha**, former Nebraska insurance director, has been appointed chairman of the Lancaster county war price and rationing board.

**Paul R. Green**, Seattle general agent of Aetna Life, is a candidate for the state senate on the Democratic ticket.

**Ned C. Litwack** of the J. Bruce MacWhinney agency of John Hancock Mutual Life in Newark, led all agents of the company for the first seven months in ordinary production and premiums.

**Aubrey R. Harris**, assistant secretary Royal Highlanders Mutual Life, was presented a matched pen and pencil set by employees on his completion of 25 years with the company. He was also presented a bouquet of roses, one for each year in office.

**Rockwood S. Edwards**, Chicago general agent of Aetna Life, has just returned with his family from a vacation spent at their summer home on Long Island sound at Saybrook, L. I.

**George Maltby**, district manager in Kansas City, Kan., of the Herbert A. Hedges agency of Equitable of Iowa, has been named executive chairman of the Wyandotte county war savings committee.

**Prewitt B. Turner**, general agent in Kansas City for Home Life of New York, is chairman of the speakers committee of the community fund campaign there.

**C. R. Clements**, president of National Life & Accident, has been made chair-

man of the war fund community chest drive for Nashville and Davidson county, with \$500,000 to raise as compared with \$250,000 in former years. On the directing committee are C. A. Craig, chairman of National L. & A., and W. Dudley Gale of the Gale-Smith agency.

**Robert Sturtevant**, vice-president of Ohio National Life, is still confined to his home by illness.

## DEATHS

**H. M. Bosworth**, 82, who was state auditor of Kentucky and in charge of the insurance department, ex-officio, 1912-1916, died at Lexington, Ky.

**James H. Majeau**, 63, superintendent of the accident and health department of Columbus Mutual Life, died in Grant Hospital in Columbus from heart disease. He had been ill since April. Mr. Majeau was a native of Canada and had been with Columbus Mutual 28 years.

**George L. Gule, Jr.**, 38, Columbus, O., regional manager of the mortgage loan department of National Life of Vermont, died from a cerebral hemorrhage, leaving his wife, a son and daughter.

**John V. Smith**, 71, a veteran manager of Metropolitan Life in Chicago, who retired in 1935 after about 47 years' service with that company, died in Walther Memorial hospital, Chicago, after a long illness. Mr. Smith at the time of his retirement was manager of the Wabash district of Metropolitan there. Previously he managed the Union Park and Grant Park districts.

**Peter Bowles**, 44, president of Avia-



## THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704.  
EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force.

**CINCINNATI OFFICE**—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

**NEW YORK OFFICE**—123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

**ATLANTA OFFICE**—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. E. E. Hess, Resident Manager.

**BOSTON OFFICE**—944 Park Square Bldg., Telephone Hubbard 8696. R. E. Richman, Vice-President.

**DALLAS OFFICE**—617 Wilson Bldg., Tel. Riverside 3383. Fred B. Humphrey, Resident Manager.

**DES MOINES OFFICE**—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

**DETROIT OFFICE**—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

**MINNEAPOLIS OFFICE**—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

**LIFE INSURANCE EDITION**  
PUBLISHED EVERY FRIDAY

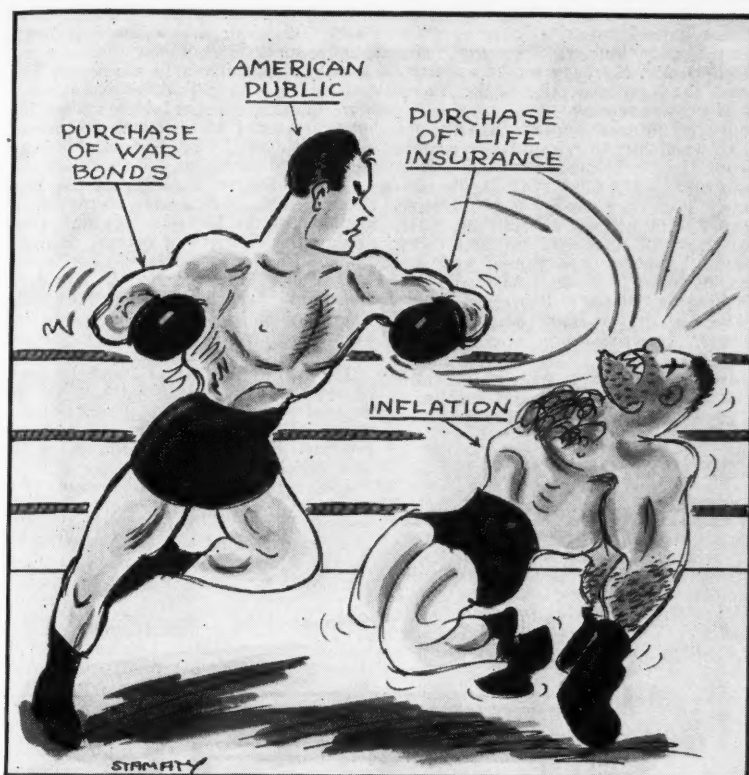
**BUSINESS DEPT.**: John F. Wohlgenuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.

**PHILADELPHIA OFFICE**—1127-123 S. Broad Street. Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

**SAN FRANCISCO OFFICE**—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor. Act, March 3, 1879.

Subscription Price \$3.50 a year (Canada \$4.50). Single Copies, 20 cents. In Combination with The National Underwriter Fire and Casualty, \$6.00 a year (Canada \$8.00). Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under





Give him the old one, two.

tion Insurance Sales, Inc., of Chicago, New York and Atlanta, died of a heart attack at Regent hospital, New York City. Mr. Bowles did a large life, accident and general business with airline pilots as well as handling group insurance in the aviation field. He sold the Glen L. Martin aircraft plant group life, accident, hospitalization, and sickness policy which involved a premium of about \$2,000,000 a year and was one of the largest group cases in recent years. He organized Aviation Insurance Sales about seven years ago.

Ralph S. Babcock, 62, with the James H. Cowles agency of Provident Mutual Life in Los Angeles, for 25 years, died there. He was in the general insurance business in Oklahoma City, Denver and San Diego, before entering life insurance. He was with Aetna Life for a short period and a year as general agent in San Francisco of Lincoln National Life.

#### Ohio National Club Officers

G. S. Severence of Chicago has been elected president of the Builders Club of Ohio National Life. Vice-presidents are R. H. Moore of Lansing, Mich.; R. G. Nixon of Owenton, Ky., and L. A. McMasters of Los Angeles. The secretary is N. J. Tschantz of Canton,

#### REJECTED RISKS

##### SUMMER SPORT

My typist is on her vacation  
my Typist's away for a week  
My typist is in her vacation  
While these dumb keys play hide and  
seke.

chOrus

Oh, bring back, bring back  
bring back my typist to me, ti me,  
Bring back, bring back, oh—  
Bring back my yupodt tu m3  
oH! helk

#### Take New Offices Because of Army's Detroit Move

DETROIT — Aetna Casualty and Aetna Life have leased nearly all the tenth floor of the Book Building and will move from the Union Guardian building Sept. 12. This move on very short notice was necessitated by the army taking over the Union Guardian building as headquarters for the entire ordnance command, which has been unified and centralized at Detroit.

Travelers, in the same building, has secured portions of two floors in the Dime building and will move a little later.

O. The treasurer is E. W. Milholland of Columbus.

## People Must Be Told

It is sometimes amazing to learn how little many Americans actually know about the services which life insurance renders. You, as a life underwriter, can do a great service to society by showing men and women more vividly what life insurance offers . . . by showing them how easily they can guarantee the financial security of themselves and families through life insurance.

**Shenandoah Life Insurance Co., Inc.**  
Roanoke, Virginia

## Beyond War's Horizon

Back in January, in an editorial in the *Richmond News Leader*, appeared the paragraph quoted below. Its thought should present both challenge and opportunity to life underwriters.

**DISILLUSIONED** though we Americans are, conscious as we are that we must put all we have into the war effort, millions look with more trepidation to the years after the war than to the war itself. These men think of devalued dollars, of continuing oppressive taxation, of diminished estates and of impoverished widows. Willingly they would fight and cheerfully they would die for their country, but their wives, their children — for them is the concern.

## LIFE INSURANCE COMPANY of VIRGINIA

BRADFORD H. WALKER, President

Home Office: RICHMOND



"The Natural Bridge to Security"

## COUNTRY LIFE INSURANCE COMPANY

*"Outstanding  
in Every Respect"*

HOME OFFICE • CHICAGO, ILLINOIS

## NEWS OF THE COMPANIES

### Illinois Bankers' Plan Explained by Its President

E. H. Henning, president of the Illinois Bankers Life of Monmouth, Ill., has announced its progress under the new board of directors in connection with the three point program that has been instituted since the new board was



E. H. HENNING

elected several months ago. This program has as its purpose the introduction of factors of quality, efficiency and economy into every phase of the company.

The three point program consists of the following three major objectives:

(1) To improve the quality of the assets, wherever improvement is possible. Mr. Henning expressed particular pride in the present high degree of liquidity of the company. The ratio of cash and liquid assets is larger today than at any other time in its history, according to President Henning.

#### Efficiency Being Emphasized

(2) Efficiency is being introduced to a greater extent than ever before into the home office operations. The new secretary, O. F. Davis, has begun a complete reorganization of the inside workings, reorganizing each department under competent department heads, coordinating the activities of the various departments so they will synchronize into one composite company activity. Both efficiency and economy are being brought about in this internal reorganization and the entire home office staff is being geared into a streamlined modern home office team with efficiency and economy dominating their entire procedure.

#### Agency Department

(3) The agency department is improving the quality of its agency operations. This is a year in which most companies are behind in their new production, and under the Illinois Bankers Life program, advantage is being taken of the comparative lull in new business to add a few more quality men to the organization, and to improve the efficiency of the agency processes. Among the new men recently added are Robert Mercer as manager of the Chicago office, A. H. Adams, general agent at Cedar Rapids and Louis H. Gillis, manager at Kansas City. These men represent the highest standards in underwriting and organizing in both the life, accident and health fields. The agency department is on the other hand weeding out agents whose class of business is not regarded as of high quality, or whose lapse records are out of line. Volume is being made secondary to quality, and while fewer men

are being added, they are men of exceedingly high caliber, who are capable of producing quality business.

"This Three Point Program," said Mr. Henning, "is working out in a most gratifying manner. I feel that we are getting set for the time that is certain to come before many months when the industry will again be writing tremendous volumes of new business, and we are introducing economy and efficient methods into every aspect of the company so we will be prepared to keep pace, in the most serviceable way, with the new competitive insurance era that lies ahead."

#### Farmers & Traders at Mid-Year

Farmers & Traders Life of Syracuse, N. Y., during the first six months had an increase in paid for business of 69 percent over the same period of 1941. Insurance in force is \$52,387,542, which was a gain of \$2,505,976 from Dec. 31. It compares with a gain of \$966,581 for the first six months of last year. Assets now amount to \$11,585,589 or an increase of \$394,754 for the six months. Farmers & Traders purchased more than \$100,000 in government bonds during the first half year.

#### Farm Bureau Life Gains

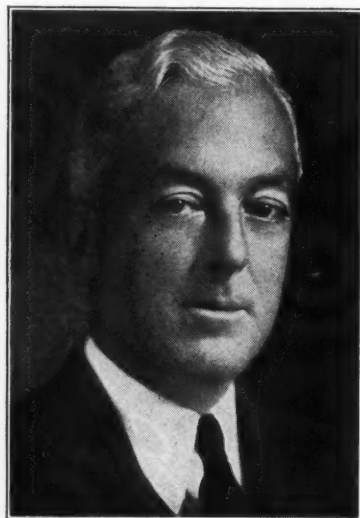
Farm Bureau Life of Columbus, O., reports assets of \$4,765,744 at June 30 which is an increase of \$764,631 or 19 percent since Dec. 31. Net premium income was \$801,154 as compared with \$650,581 for the parallel period of last year and surplus and reserves increased from \$731,203 to \$830,485.

## COMPANY MEN

### Moriarty Joins Sunset Companies in High Post

John J. Moriarty of Cedar Rapids, Ia., has been appointed executive vice-president and general manager in charge of all operations of Sunset Life and Sunset Casualty of Olympia, Wash.

Mr. Moriarty is one of the best known



JOHN J. MORIARTY

life insurance agency directors in the country. He has been in the life insurance field more than 40 years. For 10 years he was vice-president in charge of production for Missouri State Life and its successor General American Life, and then was agency vice-president of American Mutual Life of Des Moines. Lately he has been general agent at Cedar Rapids

for Occidental Life of Los Angeles. He has gained nation-wide recognition as an agency builder. For the years 1934-1936, Mr. Moriarty served as chairman of the Agency Section of the American Life Convention.

Sunset Life and Sunset Casualty are both owned by American Underwriters Corporation, a holding company owned by approximately 8,000 Washington residents. The life company was chartered in 1937, and had as at June 30, 1942, \$13,942,243 of insurance in force, with assets of \$894,659 and capital and surplus of \$371,227. It is admitted in Washington, Idaho and Oregon.

The casualty company was chartered in 1938. It writes only commercial accident and health. Its 1941 premium income was \$130,312, with a loss ratio of 41.06. It has capital and surplus as of June 30, 1942, of \$148,522.

### Six Promotions in Washington National

Washington National of Evanston, Ill., has made six promotions affecting members of the home office staff. Assistant Vice-presidents J. L. Loarie, Paul W. Watt, Kenneth Mullins and J. B. Blandford have been named second vice-presidents. Jarvis B. Shinn,

formerly assistant to Mr. Mullins in the Pacific division, has been appointed agency supervisor of the ordinary and casualty departments in charge of that division. J. L. Elliott, assistant manager of the casualty department, has been promoted to assistant to Second Vice-president J. B. Blandford of the industrial department.

Charles Forrer, manager of the Harrisburg, Pa., office, is promoted to manager of the Keystone division, comprising the districts of central Pennsylvania.

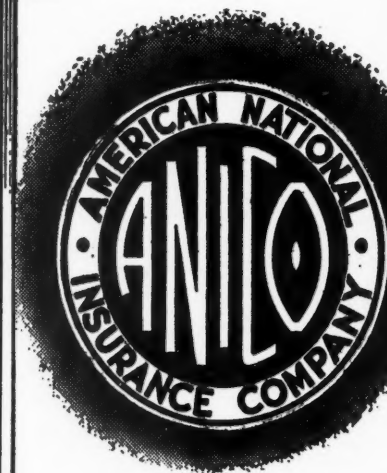
Assistant Manager R. M. Davidson, who has been associated with Mr. Blandford in the eastern division, has been transferred as assistant to Second Vice-president J. L. Loarie.

The continued growth and progress of the company, particularly in the industrial department, has necessitated the dividing of the industrial territory into two parts and the addition of one new division.

Under the new set up Second Vice-president Loarie will supervise the western, southern and northern divisions, and Second Vice-president Blandford will direct the central, eastern and the newly created Keystone divisions.

#### Schwobel to Conn. Mutual

Connecticut Mutual Life has appointed Edwin F. Schwobel on its investment



*Safe!*

**AMERICAN NATIONAL  
INSURANCE CO.**

GALVESTON, TEXAS  
W. L. MOODY, JR.,

PRESIDENT





staff. He has been engaged in public utility research since 1919, when he became associated with the investment banking firm of Bonbright & Co., New York, specialists in public utility financing. He spent several years as public utility specialist in the research and buying departments of Shields & Co., New York, and more recently has been associated with Union Securities Corporation, New York, in a similar capacity.

### J. M. Thorne, Asst. Secretary of New York Life, Retires

NEW YORK—John M. Thorne, assistant secretary of New York Life and one of the best informed executives in the mortgage loan field, retired this week on reaching his 65th birthday. He has bought and extensively remodeled a farmhouse at Johnson, Vt., where he and Mrs. Thorne will live for the greater part of each year, returning, however, to New York for the winter months.



J. M. Thorne

Mr. Thorne began his insurance career with the New York Life as a clerk in its Rutland, Vt., branch. He soon became cashier and was transferred in that capacity to the St. Paul branch. Later he was made agency director at St. Paul and in 1919 became agency director at Manchester, N. H.

In 1923 Mr. Thorne went to the home office as secretary to the mortgage loan committee. Endeavoring to act in more than a clerical capacity, Mr. Thorne made it his business to analyze the mortgage proposals which the committee was to consider and summarize the pros and cons of each. As a result he developed

an extensive knowledge of mortgage loans and eventually became a member of the committee.

Mr. Thorne is vice-president of the Mortgage Conference of New York and has been active in the Mortgage Bankers Association of America.

## SALES MEETS

### Union Life Field Leaders Confer

A special meeting of 20 general agents and field supervisors of Union



ELMO WALKER

Life of Little Rock from four states was held at the home office for two

days. It was called to discuss changes in life insurance selling and policyholder service in war times.

"While our normal personnel has been reduced somewhat because of the war, we are experiencing one of the best years in our company's history," Elmo Walker, secretary, announced.

Union Life's 22nd anniversary will occur this month. Plans were made at the meeting to conduct a month-long "loyalty drive" in September. Union Life has over 48,000 policyholders in Arkansas, Oklahoma, New Mexico and Arizona, the four states in which it operates, and by the end of 1942 an all-time record of \$25,000,000 insurance in force is anticipated.

Mr. Walker was official host for the meeting. Discussions were conducted by Robert Schulman, agency director; John Walker, agency secretary; C. A. Miller, vice-president; A. N. Florentz, assistant secretary; and Frank Whitebeck, director of public relations.

### Two Regionals Held by Security Mutual

The new rate setup of Security Mutual Life of Binghamton was announced at regional sales meetings in Buffalo and New York City. Discussion cen-

tered around several new sales aids, an evaluation of the market for insurance and plans for an intensive sales campaign during the remainder of a year in which the first half showed a 12 percent new paid business gain.

### Many Home Office Speakers

Speakers included President Frederick D. Russell; F. Leon Mable, superintendent of agencies; George R. Clark, assistant superintendent of agencies; Norman T. Carson, agency secretary; Fred R. Brunner, actuary; Joseph W. Hughes, mathematician, under whose supervision the new ratebook was compiled; Edward A. Hauschild, accident and health department manager and Franklin D. Scudder, special home office representative. Vice-president H. B. Wickes spoke at the Buffalo regional, but that evening he suffered an appendicitis attack and was operated upon at 2 a.m. at the Buffalo General Hospital.

Plaques were presented to the Harold D. Farber agency, Buffalo, for production and persistency; Samuel Berman agency, New York, for persistency; and George A. Spencer agency, Detroit, for accident and health premium income. Mr. Farber was presented a plaque for personal production and persistency. A similar plaque, for field men, was awarded to Henry Levine, Hersch Agency, New York.

## WE BELIEVE NOW IS THE TIME TO START NEW GENERAL AGENCIES

in

Towns from 5 to 50 thousand in the states of Iowa, Illinois, Ohio, Texas, Missouri, Kansas, Oklahoma, Minnesota, South Dakota. *The agricultural section is booming.*

We have an especially attractive contract geared to this kind of territory. We know "WHAT IT TAKES" and are prepared to follow through.

A. B. OLSON, Agency Vice President

**GUARANTEE MUTUAL LIFE CO.**  
OMAHA, NEBRASKA



### BUILDING FOR VICTORY

The Yanks of the 2nd A. E. F. are on the way—great transports of battle ships, aircraft carriers, destroyers, mosquito boats, the lowly freighter, and the guardian of the deep, the U. S. submarine; tanks, crushing, lumbering masses of steel; planes, graceful, beautiful, swift as the flight of the wind; trucks, sturdy and reliant, on down the line to the lowliest of the jeeps—the parade goes on.

The Yanks at home, too, are on the way. Their part, the magic of motion. They furnish the units of the parade—products of unending days and nights of labor. For the Yanks are building for victory. To accomplish this Uncle Sam is not asking us to scuttle our plans for future protection. Rather to carry on, building up insurance estates and other savings. We are to do our bit in the American way—sacrifice not destroy.

If your part toward victory is that of the Life Underwriter, you will find it pays to be friendly with—

**PEOPLES LIFE INSURANCE CO.**  
"The Friendly Company"  
FRANKFORT INDIANA





This is the fifth in a series illustrating the unique features that make Central Life policies easy to sell.

## A Five Year Pay Plan!

As a matter of fact, it takes fewer than five years to complete all premium payments necessary — 4 years and 4 months for ages under 38; 4 years and 8 months for ages 38 and over.

Monthly payments for a man age 35 are \$11.79 a thousand, which necessitates an approximate weekly saving of only —

**\$2.72 a Thousand**

To insurance men interested in an attractive agency contract with a 37-year-old company, we shall be glad to send details of the FIVE YEAR PAY plan, which Central Life representatives find makes easy the sale to those with currently increased incomes but who are afraid their incomes will drop after the war.

Write to—

Alfred MacArthur, President

**CENTRAL LIFE**

Insurance Company of Illinois  
211 West Wacker Drive, Chicago, Ill.

## AGENCY CHANGES

### McKnight Heads New York Agency

The Connecticut General Life office at 100 East 42nd street, New York City, will be known as the E. B. McKnight Agency in the future. Mr. McKnight was made active head of the agency a year ago when Philip B. Holmes, then



EARL B. McKNIGHT

manager, entered the navy as a lieutenant.

Mr. McKnight, originally from Wisconsin, attended the University of Chicago. Prior to entering the life insurance field he spent several years in executive work in the banking and investment business. In 1934 he joined Connecticut General as a soliciting agent at the 225 Broadway office. During his first year he made the company honor roll. In 1936 he was made an assistant manager, and he joined the Philip B. Holmes agency in 1939.

### Los Angeles General Agent Made Record in San Diego

Joseph Schwartz, general agent in San Diego for Columbian National Life, recently promoted to general agent at Los Angeles, which is one of the company's oldest agencies, has had 10 years in life insurance, both as an agent and in a managerial capacity. He was made general agent in San Diego by Columbian National in June, 1941, and has done an outstanding job there. He is a graduate of the University of New Hampshire.

### Hinchey Life Manager of Redfield Associates

P. Gerald Hinchey has been appointed manager of the life department of Redfield Associates, Chicago manager of United Benefit Life. Mr. Hinchey is known to thousands of sports fans as "Jerry," due to his having been mid-west swimming champion while he was a student at Gonzaga and St. Louis Universities. He also was an official of the American Amateur Union through the middle west.

He has been in life insurance work for 11 years, having started with Guardian Life. Later he was assistant manager of John Hancock. For the last



P. G. Hinchey

## Exceptional Opportunities in Illinois

The 58 year old Franklin Life is engaged in an intensive development program in its home state of Illinois. This means unusual opportunities for capable men and women—preferably with experience.

The advantages to you in representing this Home company (if you live in Illinois) are tremendous. Over 45 million dollars of business in force on 20,000 Illinois lives. Approximately \$400,000 paid in death claims in the state last year. Nearly \$10,000,000 invested in the state, including bonds, mortgages, real estate. Franklin money has built Illinois schools, churches, industries, highways and homes for countless families. Payroll and commission payments in Illinois last year over \$500,000.00.

Our new development program presents rare opportunities through an unusual wartime general agency contract with guaranteed earnings. Exceptionally good territory available.

If you are interested in riding to personal success on the Franklin development wave, write for further information to W. L. Dugger, Vice President. All correspondence confidential.

### THE FRANKLIN LIFE INSURANCE COMPANY

Springfield, Illinois

Chas. E. Becker, President

Insurance in Force Exceeds \$230,000,000.00

## THE ULTIMATE FUNCTION

of any life insurance company is the prompt, courteous settlement of claims. We shall be pleased to have you compare our record of claim payment, for a third of a century, with any other which for that long has been excellent.



**BANKERS MUTUAL LIFE CO.**  
FREEPORT, ILLINOIS

Founded in 1907

**BANKERS LIFE**  
*Insurance Company*  
**NEBRASKA**

Our privilege and duty is to strengthen national defense by building personal security through life insurance.

1887 1942



year he has been connected with the United Benefit home office in Omaha.

Business production of Redfield Associates in the life end will reach an all-time high this year, being well over 22 percent greater than in the same period last year.

### L. H. Guest Connecticut General Atlanta Manager

ATLANTA—Luther H. Guest has become Atlanta manager for Connecticut General Life with offices in the Hurt building. Mr. Guest is vice-president of the Atlanta Life Underwriters Association and secretary of the Leaders Round Table. For the past nine years he has been associated with Connecticut Mutual Life. Before entering the insurance field Mr. Guest was connected with the First National Bank of Atlanta.

### Ohio National Appointments

CINCINNATI—New general agents appointed by Ohio National Life are Moritz Aabel at Hastings, Neb., Leo F. Fishell, North Platte, Neb., and Ernest Tonkel, Grand Rapids, Mich.

### Aetna Life Shifts Group Men

Ross Crawford has been transferred from St. Paul to Denver to head the group department of the J. Stanley Edwards agency of Aetna Life, replacing Fred Howard, who goes to Seattle in a similar position.

### Foster to Jacksonville for Sun

W. A. D. Foster has been appointed branch secretary of Sun Life at Jacksonville.

### Mitchell and Cash Promoted

Roy Mitchell, superintendent at New Orleans for National Life & Accident, has been made a district manager at Houston. W. L. Cash has been advanced to superintendent in New Orleans.

### Cheatham Covers 27 Counties

Russell C. Cheatham, Jr., who has been with Minnesota Mutual Life at Tyler, Amarillo and Wichita Falls, Tex., as general agent, and the last two years in agency field work, has been appointed general agent of Guarantee Mutual Life of Omaha for 27 counties in southwest and central Texas, with offices in San Antonio.

George P. Burnett, who has been San Antonio general agent, becomes associ-

ate general agent, and will devote his efforts to San Antonio and vicinity.

### Joyner with Pan-American

Jim Joyner, formerly with Ohio National Life in Cincinnati, has been appointed general agent for Pan American in the Dayton, O., territory.

Mr. Joyner has had nine years' experience in the life business, and before entering the field was sales manager for a large automobile distributor. He is a member of the Life Underwriters Association.

### Davies Named in Richmond

Mutual Benefit Life has appointed W. E. Davies managing agent in Richmond, Va., succeeding H. M. Clay, who has gone into the navy.

### Conn. General Toledo Change

George Bredehoft, manager in Toledo for Connecticut General Life, has resigned to serve as a special representative in Toledo and northwestern Ohio.

Jean Black, who has been assistant manager under Howard E. Nyhart in Indianapolis, succeeds Mr. Bredehoft as Toledo manager.

R. A. Coulthard has been appointed assistant manager at the Toronto Victoria branch of Sun Life.

J. M. Chandler of the Grand Rapids agency of Northern Life of Canada has been appointed district manager at Kalamazoo, Mich.

## CHICAGO

### RELIANCE LIFE AGENCY OUTING

The Chicago agency of Reliance Life held its annual outing Wednesday at Olympia Fields Country Club with agents and the clerical staff attending. There was a golf match, swimming and other events with a dinner in the evening at which W. C. Peck, manager, presented prizes.

### AGENCY CASHIERS TO MEET

The Life Agency Cashiers division of the Chicago Association of Life Underwriters will launch its fall program Sept. 15 at a dinner meeting with Edward J. Lewis, manager National Life & Accident, talking on industrial insurance.

### RENO EDUCATIONAL CONFERENCE

The Robert R. Reno, Jr., agency of Equitable Society in Chicago, held its annual educational conference at Lake

Delton, Wis. More than 50 agents and guests attended. Speakers included Walter L. Gottschall, superintendent of agencies, and Joseph L. Beesley, cashier. The theme of the conference was "Life Insurance in War Time," based upon the book by Abner Thorp,

## COAST

### New Rules in Cal. on Group Insurance

SAN FRANCISCO — Commissioner Caminetti has issued a warning that issuance or maintenance in force of a contributory group life policy, or of insurance thereunder, on an employed group not covering at least 75 percent of the employees in the group (as defined by the policy) is a violation of the group life insurance laws, except in these instances:

1. The contract may be maintained in force for not exceeding three months to permit the insured group to be brought up to the required percentage.
2. When it is desired to bring a new class or group, or an affiliated corporation or business, under coverage of an existing group contract, the extension may be put into effect and the insurance made effective upon application by each member of the new group or class until the required percentage of the new group or class or of the employees in all the groups or classes are insured, but for not more than three months.
3. When a group life contract first takes effect, the insurance may be made effective as to each employee upon application, but the contract and insurance thereunder must be terminated within three months unless the required percentage of membership is procured.
4. When the policy is written under circumstances outlined in Nos. 2 or 3, the application must contain a statement that the insurance is subject to cancellation unless the required percentage is secured within three months.

### Broaden Cal. Questionnaires

LOS ANGELES—The California department has prepared new questionnaires for the examinations to be held next month. The number of questions in the life qualifying examinations has been increased from 25 code questions and 25 life insurance questions to 50 of each and the questions are of a more comprehensive nature. The number of

## ACTUARIES

### CALIFORNIA

Barrett N. Coates Carl E. Herfurth  
**COATES & HERFURTH**  
CONSULTING ACTUARIES  
582 Market Street 437 S. Hill Street  
SAN FRANCISCO LOS ANGELES

### ILLINOIS

**DONALD F. CAMPBELL**  
and  
**DONALD F. CAMPBELL, JR.**  
Consulting Actuaries and Public Accountants  
35 Years of Service  
100 North La Salle Street, Chicago, Illinois  
Tel. State 1330

### WALTER C. GREEN

Consulting Actuary

211 W. Wacker Dr. 333 St. Charles Ave.  
Chicago New Orleans  
Franklin 2633 Raymond 0947

### HARRY S. TRESSEL

Certified Public Accountant and Actuary

10 S. La Salle St., Chicago  
Associates  
M. Wolfman, A. A. I. A. Franklin 4430  
N. A. Moscovitch, Ph. D.  
L. J. Lally

### INDIANA

### Haight, Davis & Haight, Inc.

Consulting Actuaries

FRANK J. HAIGHT, President  
Indianapolis—Omaha

### HARRY C. MARVIN

Consulting Actuary

221 E. Ohio Street  
INDIANAPOLIS, INDIANA

### NEW YORK

Established in 1865 by David Parks Fackler

### FACKLER & COMPANY

Consulting Actuary

Edward B. Fackler Robert O. Holman  
8 West 40th Street New York City

Consulting Actuaries  
Auditors and Accountants

### Wolfe, Corcoran and Linder

118 John Street, New York, N. Y.

### PENNSYLVANIA

### FRANK M. SPEAKMAN

CONSULTING ACTUARY

Associate

E. P. Higgins

THE BOURSE PHILADELPHIA




### TEXAS

### GEORGE VAN FLEET

CONSULTING ACTUARY

812 Tribune Tower  
AUSTIN, TEXAS

Our Seventy-fifth Anniversary Year

1867    1942

**EQUITABLE LIFE OF IOWA**

HOME OFFICE • DES MOINES

questions for the disability examination also has been increased.

### Bland San Francisco Speaker

Frank W. Bland, Pacific Coast manager of THE NATIONAL UNDERWRITER,

spoke at a meeting of the Golden Gate agency of Occidental Life in San Francisco, discussing "Life Insurance in War Time."

Mark Barichevich is manager of the agency.

## Latest Policy Changes

By JOHN H. RADER

The National Underwriter is the only weekly insurance newspaper providing its readers with important last minute policy and dividend changes. Compiled by John H. Rader, National Underwriter statistician, these weekly reports supplement the data contained in the Little Gem, published in March at \$2.50 a copy, and the Unique Manual-Digest, published in May at \$5 a copy.

### Travelers Makes Two Policy Changes

Travelers has withdrawn its modified family maintenance plan, at the same time extending the 15-year family maintenance policy to include age 50 at issue. The convertible period of the contract is now 10 years.

The triple or double protection supplemental agreement written with term expectancy or higher premium form policies provides that should the insured die within 15 (or 20) years after issue, triple (or double) the face of the policy is payable. This supplemental agreement is a 15 or 20 year term and may be converted within 10 years from issue. The latest premium rates for this agreement are as follows:

Age	Triple Prot.		Double Prot.	
	20	15	20	15
Year Plan	Year Plan	Year Plan	Year Plan	Year Plan
20.....	\$11.10	\$10.68	\$5.55	\$5.34
21.....	11.34	10.86	5.67	5.43
22.....	11.58	11.02	5.79	5.51
23.....	11.82	11.18	5.91	5.59
24.....	12.08	11.36	6.04	5.68
25.....	12.34	11.54	6.17	5.77
26.....	12.64	11.74	6.32	5.87
27.....	12.96	11.96	6.48	5.98
28.....	13.32	12.18	6.66	6.09
29.....	13.72	12.46	6.86	6.23
30.....	14.20	12.78	7.10	6.39
31.....	14.74	13.14	7.37	6.57
32.....	15.32	13.54	7.66	6.77
33.....	15.98	13.98	7.99	6.99
34.....	16.72	14.48	8.36	7.24
35.....	17.60	15.10	8.80	7.55
36.....	18.52	15.76	9.26	7.88
37.....	19.50	16.42	9.75	8.21
38.....	20.60	17.20	10.30	8.60
39.....	21.96	18.18	10.98	9.09
40.....	23.68	19.44	11.84	9.72
41.....	25.62	20.94	12.81	10.47
42.....	27.90	22.64	13.95	11.32
43.....	30.54	24.58	15.26	12.29
44.....	33.54	26.80	16.77	13.40
45.....	37.02	29.32	18.51	14.66
46.....	40.98	32.10	20.50	16.05
47.....	45.42	35.20	22.75	17.60
48.....	50.34	38.60	25.30	19.30
49.....	55.74	42.34	28.17	21.17
50.....	61.62	46.42	31.39	23.21

### United L. & A. Brings Out Family Income Policy

United Life & Accident plans to begin this month the issuance of a family income policy. It is to be a decreasing term for 10, 15 or 20 year periods in connection with a regular life policy. The rates at five year intervals for the term portion of the policy are as follows:

Age	10 Year		15 Year		20 Year	
	Year Plan	Year Plan	Year Plan	Year Plan	Year Plan	Year Plan
20.....	\$ 2.16	\$ 3.04	\$ 3.82			
25.....	2.22	3.19	4.16			
30.....	2.45	3.66	4.94			
35.....	2.99	4.63	6.42			
40.....	4.01	6.29	8.86			
45.....	5.50	8.76	12.53			
50.....	7.80	12.61	18.25			
55.....	11.47	18.71	27.18			

The Accident & Health Bulletins help get business. For information write 420 E. Fourth St., Cincinnati.

### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Frances D. Partridge  
Supreme President Supreme Secretary

Port Huron, Michigan

### Security Mutual Revises Rate Setup

Security Mutual Life of Binghamton has revised its premium rates, basing them on the American Men ultimate table and 3 percent interest, resulting generally in slightly lower premiums at the younger and principal insuring ages and some minor increases at the older. The action followed a decision that the time has arrived to employ more modern mortality assumptions in the computation of rates.

Announcement of the change was one of the features of the regional meetings held in Buffalo and New York City. A number of changes in policy contracts were announced, including the addition of two new substandard classes, considerably broadening the range of coverage available.

The retirement income series has been revised so that each \$1,000 of face amount will provide a monthly income of \$7.50 for life, 10 years certain. While this change has the effect of increasing the proportion of insurance in this type of contract, no change was made in the relationship between the commuted value and the retirement income at maturity, 3 percent interest still being the basis for computation.

A new five year renewable term contract, renewable and convertible not later than age 63, has been added to take the place of five, 15 and 20 year convertible terms and term to 65. Also added is a new juvenile life paid up at 85.

Discontinued were the ten year endowment and modified family income contracts, as well as the 20-pay life which has been shelved in favor of continuance of the 20-pay endowment at 75.

Rates for single premium life and endowment contracts are increased and are based on the American Men ultimate table with 2½ percent interest, these being the only premiums on this interest basis.

The new family income rider, introduced at the beginning of the year and

available in amounts of up to \$25 per \$1,000 of insurance, depending on the basic plan to which the rider is added, has been revised to call for 17 premiums instead of 15, along with a downward revision of premium rates.

Policies issued after Sept. 1 are valued on the American experience table with 3 percent interest, New Jersey standard.

### Capitol Life 3 Percent Premium Rates Given

The new 3 percent premium rates of Capitol Life of Denver are presented below at quinquennial ages for a number of more popular forms:

Premium Rates per \$1,000									
O. L.	20 yr.	20 Pay.	Ord.	End.	End.	End.	End.	End.	End.
Age	End.	at 85	at 65	at 60	at 55	at 50	at 45	at 40	at 35
20	\$16.19	\$45.14	\$25.98	\$17.04	\$21.14	\$18.93			
25	18.13	45.35	28.21	19.52	24.92	22.03			
30	20.89	45.88	30.89	22.82	30.14	26.04			
35	24.42	46.81	34.38	27.41	37.71	31.63			
40	29.06	48.80	38.82	34.08	48.80	39.89			
45	35.31	51.85	44.76	44.12	67.49	51.85			
50	44.01	56.73	52.15	60.18	104.71	71.70			
20									
Pay.	—Life Inc.—	Prof. Pref.	Life						
End.	End.*	End.*	Risk Risk	Exp.					
65	60	65	O.L.	20 P.	Term				
20	\$28.22	\$310.60	\$253.20	\$15.06	\$24.42	\$10.71			
25	31.07	377.00	297.60	17.05	26.75	11.74			
30	34.64	460.70	356.60	19.65	29.49	13.40			
35	38.96	580.80	442.00	23.12	32.86	15.66			
40	44.51	765.50	557.80	27.66	37.26	19.13			
45	51.85	1082.10	734.00	33.77	43.14	23.65			
50	60.18	1716.10	1034.90	42.03	50.59	29.81			

\*Rate per \$12,000 unit.

### Higher Non-Medical Limits

South Coast Life of Beaumont, Tex., has increased its non-medical limit from \$2,500 to \$3,000 and the age limit from age 46 to age 41.

## ACCIDENT

### Large Market Developing for Minors' Reimbursement

NEW YORK—Companies writing the medical reimbursement personal accident policy down to age 5 are finding a surprisingly large market for it among grade-school children, particularly sixth grade and upwards. There seems to be a greater response among parents currently, while they are laying out money in connection with children going back to school.

Many of the companies now are writing this policy down to age 5, the first company to do so having dropped its age limit about a year ago. Experience has been satisfactory. The rate is \$18 for boys and \$15 for girls for the \$500 reimbursement form.

Because they are more active than girls, boys cause more frequent claims. The average claim, however, is higher for girls, because where there is any question of an injury affecting a girl's looks her parents make sure that she

gets the most skilled medical attention so there will be no permanent scar or other lasting damage to her appearance.

### Committee Named to Study Restoration of Benefits

SAN FRANCISCO—A special committee to study the recent convention examination report on the Pacific Mutual Life to determine if, when or how any restoration of benefits on non-cancellable policies may be made, has been appointed by Commissioner Caminetti. This is in accordance with the reorganization agreement made when the present Pacific Mutual succeeded the old company, which provided non-cancel accident and health benefits would be reduced certain percentages, according to date of issue and term in force, until the commissioner should decide benefits should be restored. Present "discounts" range from 20 to 90 percent of policy benefits.

William Breiby, well known actuary who was retained when former Commissioner Carpenter was handling the reorganization, and who helped in development of the present company, is on the committee. Others are Prof. A. H. Mowbray, consulting actuary California department; H. A. Benjamin, chief deputy liquidation department, and William Schleip of the department. All participated in the reorganization.

Commissioner Caminetti requested they render findings on the amount which can be safely appropriated now to accomplish the purposes set forth in the rehabilitation agreement with respect to restoration, and the method by which restoration should be effected.

### Kelly Made Akron Manager

D. W. Kelly has become Akron, O., manager of Central Assurance of Columbus. He has been in the insurance business in Santa Monica, Cal., for a year. Before that he had been an insurance man in Dayton, Columbus, and Zanesville, O., for more than 20 years.

### Okl. Tax Issue Pertains to Fire

The article on page 6 of last week's edition referring to a premium tax issue in Oklahoma is applicable only to the fire insurance companies and has no interest for the life insurance business. Due to a misunderstanding the article was published as it was.

### First Los Angeles Meeting Sept. 14

The Life Insurance Managers Association of Los Angeles will hold its first fall meeting Sept. 14.

## DO YOU believe in YOU?

Lutheran Brotherhood is looking for a man who is not afraid to step out of a rut and try something new—who has enough faith in his own sales ability to be willing to enter a new and highly selective field of insurance selling. If you have that confidence in yourself—and are a Lutheran—your opportunity with Lutheran Brotherhood will be limited only by your own effort. Find out about the L-B plan and the many attractive features it offers. Write stating age and experience.

### LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INSURANCE FOR LUTHERANS  
Herman L. Ekern, President  
606 Second Avenue So. Minneapolis, Minnesota



THE LEADER  
IN  
ITS FIELD!

AID ASSOCIATION for LUTHERANS  
APPLETON, WISCONSIN



## LEGAL RESERVE FRATERALS

### Society Official Explains Effect of Mass. Ruling

The true picture of the Massachusetts supreme court ruling that three officers and an employee of New England Order of Mutual Protection must repay to the society's mortuary fund about \$2,100 because this fund may not be used to pay salaries or expenses of officers was not presented in an article last week, Walter B. Power, supreme secretary-treasurer of the society, stated. He commented that the article leaves the impression the officers had been in the habit of using the mortuary fund for expense purposes.

#### Safeguard Securities

"What we had been doing and which for years had been recognized by the insurance department as proper was using a portion of the income from securities for the safeguarding of those securities," he explained. "It seemed to all the fraternal leaders that when the legislatures enacted legislation where the words 'net accretions' were mentioned that the idea behind those words indicated there must have been an idea in the minds of the framers of the law that there would be expenses attendant in the purchasing, safeguarding and disposing of securities which was and should be considered a service charge deductible from the gross income and which would leave the net accretions to be placed in the mortuary fund, after which no portion could be used for expense purposes."

#### No Difference Between Net, Gross

"The decision of the supreme court to all purposes is that there is no difference between gross and net accretions, and we all feel that the court has not covered the legal interpretation of the situation, but has backed up a matter of policy as adopted by the insurance department. However the decision is final and must be followed."

### Royal Neighbors Presents \$21,163 to Red Cross

Six thousand camps and many individual members of Royal Neighbors, Rock Island, Ill., donated \$21,163 to the Red Cross blood plasma program which was presented by the society's officials to George A. Uhlmeier, chairman Rock Island, Ill., chapter of Red Cross. Mrs. Grace W. McCurdy, supreme oracle of Royal Neighbors, Miss Erna M. Barthel, supreme recorder, and Dr. Hada M. Carlson, supreme physician, took part in the presentation ceremony.

#### Many Members Contribute

The money was raised by contributions from camps and members throughout the United States as an "All-American" fund which will provide about 7,000 transfusions for wounded members of the armed forces.

Mr. Uhlmeier termed this a most commendable patriotic undertaking. F. A. Winfrey, manager midwestern area, Red Cross, St. Louis, acknowledged receipt of the fund in a letter thanking the 6,000 Royal Neighbors camps which contributed.

### Pa. Fraternal Congress Dates Are Changed

There has been a change in meeting dates of the Pennsylvania Fraternal Congress from Nov. 12-13 to Dec. 3-4 at the Hotel William Penn, Pittsburgh.

#### Dr. McGrath Is on Program

Dr. J. G. McGrath, medical director of Catholic Order of Foresters, Chicago, will read a paper on "Underwriting

Practices" at the annual meeting of the Medical Section of the National Fraternal Congress to be held Sept. 29 in Chicago.

### W. O. W. Has Big U. S. Holdings

Woodmen of the World of Omaha at July 1 held \$8,787,111 in government securities. Since Pearl Harbor \$1,250,000 in government bonds have been purchased. Practically all of the home office employees are buying bonds under the payroll deduction plan.

### N.F.C. Program for Chicago Meeting

(CONTINUED FROM PAGE 3)

Report on Lodge Activities, C. L. Biggs, Maccabees, chairman.

"Financing the War," Walter Lightenstein, vice-president First National Bank, Chicago.

Report on Public Relations, Farrar Newberry, Woodmen of the World, Omaha, chairman.

Address, Marion Burks, supervisor policy examination branch, Illinois department.

Report of special committee on co-operative plan for hospital care for fraternal benefit societies, Norton J. Williams, Equitable Reserve, chairman.

Report on constitution and rules, Jos. F. Sheen, Security Benefit Association, chairman.

Announcements.

Banquet, 7:30 p. m.

Thos. R. Heaney, presiding.

Guest speaker, Nicholas F. Nolan.

Dancing.

Entertainment, courtesy Illinois Fraternal Congress.

Thursday, Oct. 1, 1942, 9:30 a. m.

Report on security valuations, James A. Blaha, Woodmen Circle, chairman.

"Business of the Nation," Phil S. Hanna, financial editor Chicago "Sun."

Report on Revision of Blanks, James D. Reeder, chairman.

Report on distribution, James G. Daly, United Commercial Travelers, chairman.

Election of officers.

Announcements.

Afternoon—Patriotic Program

Army—Navy—Marine Corps—Coast Guard.

Address, H. R. Baukhage, Blue Network commentator American Red Cross, Washington.

Friday, Oct. 2, 9:30 a. m.

Committee Reports:

Resolutions, S. H. Hadley, Protected Home Circle, chairman.

Fraternal ethics, Mrs. Frances Buell Olson, Degree of Honor, chairman.

State of Orders and Statistics, Harold A. Reise, Polish Roman Catholic Union of America, chairman.

Field Work, John E. Little, Maccabees, chairman.

Membership, Jos. F. Lamb, Knights of Columbus, chairman.

Publicity, Henry R. Freitag, Modern Woodmen, chairman.

Fraternal Week, C. D. DeBarry, Catholic Order of Foresters, chairman.

Reports from Sections and from Fraternal Actuarial Association and Fraternal Field Managers' Association by their presidents.

Installation of Officers:

Installing Officer, Mrs. Dora Alexander Talley, head of Woodmen Circle, N.F.C. past president.

Escort, Women's Catholic Order of Foresters, conducted by Mrs. Mary E. Murphy, high chief ranger.

Adjournment.

The Fraternal Actuarial Association program is:

Morning Session

President's Address, J. D. Reeder.

"The Place of the Actuary in Fraternalism," W. H. MacCurdy, actuary Railwaymen's Relief Association.

"Meeting Cash Demands in Depression Years," M. L. Ridgeway, actuary Equitable Reserve.

Afternoon Session

Discussion of papers of previous meetings:

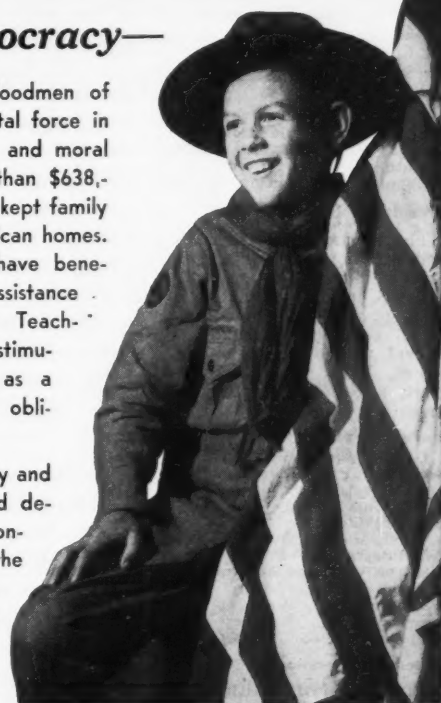
(a) "Distribution of Surplus," Barrett

## Building Democracy—

SINCE 1883, Modern Woodmen of America has been a vital force in strengthening the economic and moral fiber of the nation. More than \$638,000,000 paid in benefits has kept family ties intact in countless American homes. Thousands of communities have benefited through financial assistance given unfortunate members. Teachings of the Society's Ritual stimulate patriotism and serve as a reminder of the duties and obligations of citizenship.

Down the years the Society and its local Camps have served democracy by accepting responsibility toward members, the community and the nation. Its program for nation wide sponsorship of Boy Scout troops is evidence that the Society will continue to build

democracy by training boys for future citizenship.



## MODERN WOODMEN OF AMERICA

(A legal reserve fraternal life insurance Society)

Assets exceed \$101,000,000

HEAD OFFICE

ROCK ISLAND, ILL.

## A CAMPAIGN FOR DEMOCRACY

★ ★ ★ ★ ★ ★ ★ ★

One of the greatest democracies—France—lies prostrate at the feet of her conquerors because she failed to fully appreciate and utilize the strength of her most powerful democratic concept—FRATERNITY. Her internal strife and disunity, preyed upon by the clever Nazi propagandists, was her downfall. Had she had strong organizations, constantly championing the feeling of brotherhood and oneness, she could never have been trampled underfoot.

It is for this reason The Maccabees is now carrying on a great campaign, uniting its 250,000 members in a project which not only aims at preserving our democracy in a concrete manner, but also at preserving it in a spiritual manner. We not only expect our international campaign—designed to raise money for outright gifts to the governments of the United States and Canada—to put cold hard steel in the hands of our soldiers, but to put warm faith and a feeling of brotherhood in the hearts of our members, their friends and their neighbors.

We feel certain that the united efforts of these thousands of persons, aimed at filling a "Barrel of Cash for Uncle Sam" and "A Barrel of Cash for Canada" by working together to present money-raising programs, is as valuable to our nation's progress to victory as the resulting arms and munitions will be, for they are striving in a common effort towards realization of this fundamental ideal of, not only our own organization, The Maccabees, but of our democracy itself—Fraternity.

## THE MACCABEES

THE MACABEES BUILDING

DETROIT, MICHIGAN

N. Coates, consulting actuary, Los Angeles, and Maurice Wolfman.  
 (b) "Streamlined By-Laws," E. D. Brown, Jr., Chicago.  
 (c) "Punch Card Systems," Franklin C. Stouffer.  
 (d) "Valuation of Supplementary Contracts by Attained Age," D. D. Macken, actuary Woodmen of the World, Omaha.  
 (e) "Hyperbolic Formula for Cash Values," I. W. Smith, A.O.U.W. of North Dakota.  
 Reports and election of officers.

#### Presidents Section Plans

The program for the Presidents section meeting was announced this week by President Francis Taptich. Grace W. McCurdy, head of Royal Neighbors, is first vice-president; Norton J. Williams, president Equitable Reserve, is second vice-president and Mrs. Minnie Hiner, head of Neighbors of Woodcraft, is secretary-treasurer. The program is:

#### Morning Session

Greetings, T. R. Heaney, N. F. C. president and Paul F. Jones, Illinois insurance director.

Response, Grace W. McCurdy, first vice-president N. F. C.

"Insurance Activities of the Veterans Administration," Frank T. Hines, administrator Veterans Administration, Washington.

"Effects of War on Investments," Lawrence H. Sloane, vice-president Standard & Poore Corp., New York City.

#### Afternoon Session

"The Effect of Health Trend Resulting from the War Effort on Life Insurance," Dr. I. Kenneth Gardner, associate medical director Reliance Life.

Forum, "Fraternal Problems":

S. H. Hadley, president Protected Home Circle.

Thomas H. Cannon, high chief ranger Catholic Order of Foresters.

Alex O. Benz, president Aid Association for Lutherans.

Norton J. Williams, president Equitable Reserve.

Grace McCurdy, supreme oracle Royal Neighbors.

Minnie Hiner, grand guardian Neighbors of Woodcraft.

Bradley C. Marks, grand master workman, A. O. U. W. of North Dakota.

Dora Alexander Tally, president Woodmen Circle.

Committee report.

Election.

Installation.

#### Press Section Has Breakfast

The Press section program is not complete. The usual section breakfast will be held at 8:30 a. m., Sept. 29, Henry R. Freitag, Modern Woodmen, announced, and will be addressed by Walter C. Below, president Fidelity Life and Illinois Fraternal Congress and T. R. Heaney, N.F.C. president, and President Williams of Equitable Reserve.

The theme of the business session

## NEWS OF LIFE ASSOCIATIONS

### Must Get In or Get Out: Phelps

Asserting that the life insurance salesman today must either "get in or get out" of the business, Ward Phelps, sales consultant Sales Research Bureau, urged members of the Dallas Association of Life Underwriters to recheck their thinking to the point of realizing how much life insurance is an integral part of the American way and, therefore, is inseparable from the war effort.

"Each life underwriter must decide whether or not his job in the war effort is carrying a gun," Mr. Phelps said. "If your job isn't service in the armed forces, then you can make a vital contribution by doing an effective job of selling life insurance."

He said the life underwriter today is faced with three questions: What should he do? What should he know? What should he think? Holding the latter to be the most important, he emphasized the importance of keeping a positive mental attitude as a means of offsetting the upsetting effect of the war.

#### New Men Tell of Success

Floyd V. Gish, Volunteer State Life; J. H. Ardrey, Indianapolis Life, and Vernon D. Singleton, United Fidelity Life, three top-flight personal producers who have achieved success in their first year in the business, told what they are doing to keep in the upper production brackets at one of the "know-how" sales forums of the Dallas association.

The forum was the last under the direction of Lyman E. King, Minnesota Mutual Life, chairman of the Dallas Association's educational committee, who is now in service as a lieutenant in the navy. John A. Monroe, Jr., Great National Life, was in charge of the program.

Mr. Gish, who has entered life insurance since Pearl Harbor and has found that the war clause is no stumbling block, suggested three rules: (1) Establish a discipline from within to take the place of that formerly imposed from without before entering the business; (2) learn to plan your work (if you are your own boss, you must be your own executive); (3) work with people.

Mr. Ardrey, who passed the five parts

will be "The Fraternal Magazine During Wartime." There will be six sub-topics assigned to members, followed by an open forum and summation.

of the C. L. U. examinations his first year in the business, advised adoption of the service concept and working systematically. An advocate of time control, he urged the salesmen to have a definite objective and declared that there is plenty of business for those who diligently and intelligently go after it.

Mr. Singleton said life underwriters who go to work can do a substantial business because everybody is willing to talk about life insurance.

The directors elected Miss Cora Dulaney, Great National Life, treasurer to succeed Mr. King.

### Program Details of Peoria Two-Day Meeting Given

Additional program details for the midyear meeting of the Illinois Association of Life Underwriters, session of general agents and managers, and "Win-the-War" sales congress of the Peoria Association of Life Underwriters to be held there Oct. 23-24, were announced this week. The general agents and managers meeting will start at 2 p. m. Friday. Paul T. Millett, Chicago tax expert in the insurance field, will be the main speaker. K. E. Williamson, Massachusetts Mutual, will be chairman.

At 4 p. m. will be held the midyear meeting of the Illinois association with F. A. Schnell, Penn Mutual, Peoria, state president, in the chair. Attending will be presidents and secretaries of the 22 local associations in Illinois. Standing committee chairmen will report and plans will be outlined for the state association up to July 1, 1943.

A banquet will be held Friday night sponsored jointly by the state association and general agents and managers division of the Peoria association. Grant Taggart, president of the National Association of Life Underwriters, will speak.

The sales congress will be held all day Saturday. Mr. Schnell will extend greetings from the state organization. Mr. Millett will have a prominent place on the congress program and is expected to give important information on the new federal tax bill. He has been retained by some 15 large eastern life companies as legal counsel to work with agency heads in the midwest.

J. M. Clark, John Hancock, Peoria, is general chairman of the sales congress.

#### Officers School in Mich.

LANSING, MICH.—The annual officers' school of the Michigan State Life Underwriters Association is to be conducted here Sept. 11. In charge as instructors will be E. P. Balkema, Northwestern National, Detroit, and Herbert B. Thompson, the association's secretary-counsel. The meeting is designed to provide a sound background in association activity and objectives for all officers and committee chairmen

of local associations, of which there are 13 now active in Michigan.

#### Baltimore Association Nominees

Harry N. Stadler, supervisor with the Apple & Bond agency of Travelers in Baltimore, has been nominated for the presidency of the Life Underwriters Association in that city. Other nominees include: First vice-president, Clayton Demarest, Jr., general agent Atlantic Life; 2nd vice-president, Richard L. Hyde, Northwestern Mutual; directors, John W. Boynton, Massachusetts Mu-

(CONTINUED ON LAST PAGE)

## THE PROVIDENT LIFE INSURANCE COMPANY

BISMARCK, NO. DAK.

**Service . . . Maintaining an intimate, personalized relationship with its policyholders and agents.**

★ ★ ★

**Experience . . . Officials long in the field, assuring a thorough knowledge of requirements and valuable assistance.**

★ ★ ★

**Stability . . . Twenty-six years of conservative growth based on sound financial principles.**

Established  in 1916

WESTERN OFFICE  
BROADWAY-OAK BUILDING  
PORTLAND, OREGON

## OHIO GENERAL INSURANCE AGENCIES

CINCINNATI in COLUMBUS  
TOLEDO YOUNGSTOWN

desiring to establish a  
LIFE INSURANCE DEPARTMENT  
would do well to contact

**PHILADELPHIA LIFE INSURANCE CO.**  
111 NORTH BROAD STREET PHILADELPHIA, PA.

Founded



in 1906

*"Registered Policy Protection"*

#### FOR SERVICE-SATISFACTION-PROFIT

The career underwriter will find no better contract in the business than our Lifetime Increasing Income Plan:

1. Liberal 1st year, bonus 2nd year commissions.
2. Lifetime service commissions.
3. Extra compensation for preferred business.
4. Liberal Retirement Plan for permanent agents.
5. 4-phase Educational Program pointing to CLU.
6. Saleable Policy Contracts with unique features.
7. Co-operative Advertising and Prestige-building.

Address:

M. ALLEN ANDERSON, V.P., Director of Agencies

## REPUBLIC NATIONAL LIFE INSURANCE COMPANY

THEO. P. BEASLEY - PRESIDENT  
DALLAS HOME OFFICE TEXAS



# Sales Ideas and Suggestions

## Points to Remember When One is Entering Life Insurance as a Permanent Vocation

By ROBERT W. WEATHERS

I am fully conscious that we and our prospects are mentally affected from day to day by the headlines in our newspapers and what we hear over the radio and we find ourselves, as well as our prospects up one day, and down the next depending upon the reports. We must recognize this fact and when we find our prospects on the pessimistic side of the picture, leave them alone and return in the near future in the hope of finding them on the optimistic side of the picture.



R. W. Weathers

What do you believe? Some will not agree with me when I say that this is the opportune time for a good man to enter the life insurance business. Some even doubt the advisability of a good man remaining in the business.

Mr. Weathers is a Kentuckian, born and reared. He came from Elkton and was assistant cashier of the Farmers & Merchants Bank there prior to world war No. 1. He went into the service and on his return again entered the banking field. In June, 1919, he resigned to enter the general insurance business in his town. He became a part time agent for Mutual Life but in 1926 he severed all other connections and carried only the Mutual Life rate book. Three years later he was made agency organizer in the Louisville agency for Kentucky and southern Indiana serving there until May 1, 1937, when he became manager at Columbus, O.

But, the condition disclosed by the last 12 months' experience would indicate, without question, that this profession should attract and retain good men. One fact alone is outstanding: In the last six years, the amount of life insurance in force increased 30 percent while in that period there were 16 percent fewer agents to handle it. Undesirable field underwriters have been, and are being weeded out; requirements for qualification in this profession are eliminating many who never should have been in the business. The idea that "just anybody" can write insurance is unacceptable, but the skilled underwriter of today holds records of accomplishment due both to his careful training and to his selected and tested material.

### Enormous Annual Income

If you do not believe that the increase in many business activities means more life insurance sales, just look at the picture. The income of the American people is estimated at 120 billions this year. In 1932 it was approximately 45 billions. With this increase of income, the Ameri-

can public will be unable to spend one billion for foreign travel and five billion for vacations; three billions for autos and over nine billions for other things which priorities have taken from us.

Further—the future income of the American people will not be pledged for 10 billions installment purchases, so we all know there will be a greater margin for savings this year over last year, between current income and current spending even after deducting the purchase of 10 percent of our salaries in War Bonds and paying much larger income taxes.

If you do not believe that history will repeat itself and that life insurance will experience increases similar to those shown during and after other wars, let us look at this picture:

1914 .....	2 1/2 billions
1917 .....	3 1/2 billions
1918 .....	3 3/4 billions
1919 over .....	5 3/4 billions
1920 .....	7 billions

### Look at Inflation Picture

If you do not believe that life insurance will reach newer and higher goals whether in war or in peace, or if you do

not believe in life insurance as a powerful weapon against inflation, let us look at another picture:

When one's income is used to purchase life insurance, it cannot be immediately used as there is no cash value for the first two or three years. Therefore, the values not being in the hands of the holder, are not as easily dissipated and in most instances, is only used for emergencies which generally develop during deflation.

We all remember how the money put into life insurance came back to the American people after the crash of 1929 and the life insurance companies paid out on the average of three billions each year from 1930 to 1940, two-thirds of which went to living policyholders. What would our national debt have been prior to the present war if it hadn't been for this enormous flow of savings back to the people? So we can see that the income going into life insurance furnishes the best form of hedge against inflation and has been the most tangible source of cash during inflation.

Now just look at real estate as a hedge against inflation. Just this past month

a piece of property in Columbus costing \$200,000 was sold at the court house door for \$12,400. In Ohio a wealthy banker died after the crash, leaving an estate valued at half a million dollars and when settled, it dropped to \$4,907.50. That happened in Pomeroy, Ohio.

If you do not believe that one of man's most important duties is to provide food, shelter, clothes and education for his dependents and income for himself, look at this picture:

Last year, life insurance companies paid \$8,000 daily to United States and Canadian families, total payment approximately three billions of which \$1,800,000,000 going to living policyholders.

The conscientious field underwriter can be proud of his work not only from an economic but from a patriotic standpoint. Economically, he helps provide the reservoir of financial strength which keeps uncounted thousands from relief rolls, from want, even from poverty. Every person who can be kept from becoming wholly or partially a public charge lifts the economic level of the country as a whole. Patriotically, he is rendering his bit of service just as surely as the man doing his bit in an armament plant. The armament plant needs, first of all, funds. The life insurance profession is responsible for a vast flow of income into the coffers of the companies, which serve as a by-pass for the huge sums finding their way into Government securities and thence into arms, as well as into the hands of dependent beneficiaries. The patriotic agent knows he is working for the welfare of his country when his efforts provide food for the needy and arms against the enemy.

### Heavy Government Holdings

During 1941 life companies increased their net holding to 1 1/2 billions in bonds of the federal government, making six billions total, or 20 percent of their assets and 12 percent of the total U. S. interest bearing debt. Since the 1st of May, 1942, life companies have purchased one-half billion. This purchase in May is about \$200,000,000 more than the income from new premium income in a year. In our company one-third of our assets are in government obligations. At the end of the last war, only three billions was held by life companies.

Outside of our companies investing in government obligations, we as individuals, have this record to be proud of in doing our part. Since November, 1941, the placing of payroll allotment plans of war savings bonds for employees as of April 1, 1942 are:

Associations active .....	352
Volunteers active .....	17,536
Firms contacted .....	49,470
Firms enrolled .....	30,613
Employees contacted .....	10,325,066
Employees sold .....	5,678,639
Cash sales .....	\$ 46,992,980
Pledges to date: per month .....	\$ 28,918,964
per year .....	\$347,027,568
Total sales and pledges .....	\$394,020,548

Our goal is \$1,000,000,000 in pledges by Sept. 1, 1942.

To translate this investment—a billion dollars will buy 15,000 medium size

tanks—175 destroyers—8,000 pursuit planes, or 13,000 anti-aircraft guns.

Gale F. Johnston of the Metropolitan, field director national defense savings, gave the following five points of life underwriters:

1. Build national morale.
2. Reawaken belief in and practice of thrift and check a spending spree.
3. Give everyone an opportunity to have a part in national defense.
4. Prevent inflation by siphoning off a portion of rapidly increasing national income.
5. Build a reserve for the future day when abnormal governmental spending gives way to peacetime economy.

Two of our allies who have been in the war longer than has this nation, have endorsed life insurance to such an extent that in Canada last year, the purchases of new insurance increased 12 percent with 25 percent fewer underwriters, many of the latter being in military service. The government of Great Britain recognizes its value to the point of allowing an income tax deduction up to 15 percent of one's income for the purpose of paying life insurance premiums. In war—or in peace—life insurance is indispensable. Now is the time to get in—and stay in—this business.

## Southern Feudists Rally at Roaring Gap

The W. Tolar Nolley agency of Northwestern Mutual Life in Richmond again won the all Southern Feud contest which closed last Monday. This is the ninth contest held every June, July and August with Tennessee, North Carolina, Georgia and Virginia to stimulate new business during the summer months.

The three winners in the Virginia agency were Howard D. Goldman, Richmond; M. Hill Abernathy, Cochran, and Sara S. Royall, Newport News. Mr. Goldman has led the entire group in reported business for the three leading agents from each state.

The celebration is being held at Roaring Gap, N. C., this week, and the three leading agents from each state with their general agent as host will be there. Edmund Fitzgerald, vice-president, and Larry Evans, assistant director of agencies, of the home office are on hand.

## J. P. Williams in Lincoln

John P. Williams, educational director of the American College, met with a group of Lincoln, Neb., life men looking toward formation of a C.L.U. study club. Mr. Williams reviewed the effect of the war impact on life insurance. He said that in his travels he had found a considerable number of communities from which all life agents had been drafted, and emphasized the necessity of a redistribution of the remaining men in the field in order to live up to the service obligations of the profession.



**The Colonial**  
Life Insurance Company  
of America

"A Public Servant Since 1897"

Protection for Today—  
Security for Tomorrow—

Home Office

Jersey City, N. J.

## Everyone Likes "Insurance That Is Different"

Policy holders enjoy the advantages of "Perfect Protection"—Occidental's exclusive feature that pays disability from the first day, irrespective of cause. Needless to say, Occidental field men have an added feature to offer prospects. Thus, everyone is happy.

**OCCIDENTAL** Life  
INSURANCE COMPANY

Laurence F. Lee, President

RALEIGH, NORTH CAROLINA



## ASSOCIATIONS

(CONTINUED FROM PAGE 22)

tual; Harry G. Calvert, Penn Mutual; David Goodman, Metropolitan; James P. Graham, Aetna; Lewis C. Richards, Jr., Sun Life of Canada; William Zieve, Metropolitan.

The election will take place Sept. 11.

**Portland, Ore.**—The first fall meeting will be held Sept. 17. Speakers will be Lt. C. F. Merrifield, coast guard, "The National Service Act," and Stuart Strong, "How We Can Render Service to Men Who Have Entered the Armed Forces."

**Chattanooga, Tenn.**—President C. O. Stephens has appointed Bart Leiper, Provident Life & Accident, chairman of the "Keep Well Crusade."

**San Francisco**—Women members under the guidance of Miss Constance Schwanz, Mutual Life, are resolving themselves into a class for intensive study of changing conditions as they affect the individual women producers and the public they serve.

**Colorado Springs**—Roy J. Bayless, Equitable Society, has been elected president; Forest F. Snyder, Paul Revere Life, vice-president; Chester E. Olson, Metropolitan Life, secretary, and Edward G. Thomas, John Hancock, treasurer. Lyn Edwards will serve as national committeeman.

**Pittsburg, Kan.**—Dr. Earl Raitt, pastor of the Methodist Church, spoke on "The Part Life Insurance Plays in our American Way of Life." Plans for the south-east Kansas sales congress to be held later in the fall were discussed and a committee was appointed to meet with representatives of other interested towns in Parsons to decide upon the date and place.

**Passaic-Bergen County, N. J.**—Bernard J. O'Donnell has been elected the first honorary member for the duration of the war. Mr. O'Donnell, who was Hackensack manager of John Hancock Mutual Life, was active in the formation of the association. He is now stationed at Fort Knox.

**Iowa**—W. K. Niemann of Des Moines, president, has called a meeting of the state officers at Cedar Rapids Sept. 5 to complete plans for the year, including education, membership, meetings and war bonds. A special committee will be named to push the sale of war bonds.

**Salt Lake City**—Roy Ray Roberts, State Mutual Life, Los Angeles, N.A.L.U. trustee, spoke at a special meeting, reviewing some of the happenings in Chicago, and stressing the teaching of the fundamentals of life insurance in the public schools.

**Akron, O.**—Carlos L. Allison has been named president, succeeding Lloyd Hammerbeck, now with the army engineers amphibian command.

**Beaver Valley Branch, Pittsburgh**—Frank C. Wigginton, agency manager of Bankers Life of Iowa in Pittsburgh,

spoke on "A Bundle of Life" at the supper meeting Thursday.

**Cleveland**—Edward B. Thurman, general agent, New England Mutual, Chicago, will address the first fall meeting Sept. 10 on "The Power of Simplicity."

**Lincoln, Neb.**—Loren Mills, district agent for Provident Mutual, has resigned as secretary to enter war industry. The directors have elected Harold A. Dillman, Security Mutual of Nebraska, a former president, in his stead. Jack VonGillern was named chairman of the membership committee, and Chester B. Dobbs, Mutual Benefit was renamed national committeeman.

**Kansas City**—At the first general meeting of the fall, Sept. 18, the speaker will be Dick Oliver, assistant vice-president of New York Life on "Hidden Things We Have to Sell." A year-book is to be issued in October, its preparation assigned to the women's committee, Bertha S. Ervin, chairman, with Nelle Byrd Otto handling details. The book is to contain outlines of the year's program of meetings and activities, material on life insurance associations, roster.

## Membership Record for Round Table

(CONTINUED FROM PAGE 3)

Hancock Mutual, New York; M. C. Kramer, Union Central, Dallas; Matthew J. Lauer, Continental American, New York; Ralph G. Lawrence, Texas Prudential, Fort Worth; Victor Manzi-Fe, Union Central, Los Angeles; Arthur R. Massa, Connecticut Mutual, Cincinnati; Frank L. McFarlane, Aetna, Cleveland; Willis F. McMartin, Northwestern Mutual, New York; R. Clinton Meadows, National Life of Vermont, Binghamton; John N. Meeks, New England Mutual, Columbus, O.; Elmer C. Moore, New York Life, Wichita; Franklin A. Morse, Northwestern Mutual, South Bend; Howard Neal, Mutual Benefit, Los Angeles; John E. Norman, Miami, Fla.; R. Joyce Portnoy, Massachusetts Mutual, St. Louis; Charles E. Purdy, Jr., Minneapolis; James F. Ramsey, Mutual Benefit, Chicago; Allan Rutledge, Jr., Lincoln National, Washington, D. C.; William Schlessinger, Columbian National, New York; Martin I. Scott, Los Angeles; Loren D. Stark, Connecticut Mutual, Houston; Carlton E. Stevens, St. Louis Mutual, St. Louis; G. Gilson Terriberry, Mutual Benefit, New York; T. Wesley Tuttle, Northwestern Mutual, Milwaukee; Clyde R. Welman, National Life of Vermont, Memphis; Russell C. Whitney, Connecticut Mutual, Chicago; T. Graham Young, Tampa; Earl Zelby, Northwestern Mutual, Philadelphia.

**Life:** Herman A. Binder, State Mutual, Los Angeles; Maurice A. Bate, Mutual Benefit, Flushing, N. Y.; Louis B. Bloom, New York; Manning P. Brown, Philadelphia; Lloyd H. Bunting, Equitable Society, New York; William H. Burns, Philadelphia; Ralph L. Colby, Franklin Life, Indianapolis; M. J. Donnelly, Equitable Society, New Castle, Pa.; Gerald A. Eubank, Prudential, New York; Frank B. Falkstein, San Antonio; Cecil Frankel, Equitable Society, Los Angeles; J. Douglas Freeman, Equitable Society, Baltimore; Richard E. Hanley, Equitable Society, Chicago; Thomas D. Harvey, Mutual Life of New York, New York; Max Hemmendinger, Mutual Benefit, Newark; Isidor Hirschfeld, New England Mutual, New York; Albert Hopkins, Penn Mutual, New York; J. D. E. Jones, Equitable Society, Providence; Samuel Kahl, Penn Mutual, Chicago; Charles G. Keehner, Massachusetts Mutual, Oakland; I. Austin Kelly, III, Fidelity Mutual, New York; George E. Lackey, Massachusetts Mutual, Detroit; Felix U. Levy, Penn Mutual, New York; William B. Monroe, Union Central, New Orleans; Henry G. Mosler, Massachusetts Mutual, Los Angeles; Lowell L. Newman, Penn Mutual, Fort Wayne; Phineas Prouty, Jr., Connecticut Mutual, Los Angeles; Harold L. Regenstein, New York; Theodore M. Riehle, Equitable Society, New York; Frank G. Rolling, Sioux Falls, S. D.; William E. Sander, Mutual Life of New York, Seattle; Julian W. Schwab, Indianapolis Life, Indianapolis; Albert M. Sheldon, Minneapolis; Lawrence E. Simon, Massachusetts Mutual, New York; James M. Stokes, New England Mutual, Philadelphia; Simon D. Weissman, Equitable Society, Boston; Theodore Widing, Provident Mutual, Philadelphia.

George H. Gruendel, district manager of Connecticut Mutual in Chicago asso-

ciated with the E. C. Fowler agency, announced the birth of a son this week.

## Test Suit on Reduction of Dividends on Policy with Disability Benefits

COLUMBUS, O. — Alleging that the company showed discrimination and violated the insurance laws of Ohio in reducing dividend payment to holders of policies providing permanent disability benefits from 1937 through 1942, Charles J. Chastang of Columbus, former assistant state director of commerce,

has filed a test case in the common pleas court of Franklin county against Mutual Life of New York to compel it to increase dividend payments made the last six years to such policyholders. He asks that the company be compelled by court order to pay to him and other similar policyholders the same benefits that it pays to policyholders who do not have the permanent disability provision.

The court's decision in the case will affect all companies operating in Ohio which issue similar policies.

When you think up an alibi, you'll need it.

### WHERE GOOD FELLOWS GET TOGETHER



## IN KANSAS CITY, MO.

► A MODERN SETTING FOR YOUR CONVENTION. SALES

MEETING OR GET-TOGETHER ► FOUR BIG MEETING ROOMS

► NUMEROUS CONFERENCE ROOMS AND COMPLETE EXHIBIT

SPACES ► FINE CATERING SERVICE ► ENTERTAINMENT.

350 ROOMS WITH BATH FROM \$250

### HOTEL

## CONTINENTAL

BALTIMORE AT ELEVENTH STREET

R. E. McEACHIN, MANAGING DIRECTOR

Direction—SOUTHWEST HOTELS INC., MRS. H. GRADY MANNING, PRES.

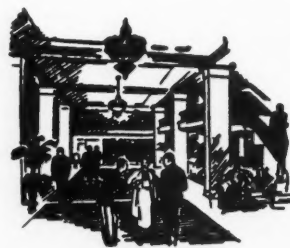


### Sound—Progressive

CONSERVATIVE Management, Financial Strength and unusual promptness in meeting obligations have won for this Company a commanding position among Financial and Insurance Institutions and in the lives of its thousands of policyholders. Agency relations are most agreeable, helpful and lucrative.

**SCRANTON LIFE INSURANCE CO.**  
SCRANTON, PA.

W. P. STEVENS, President



## In downtown LOS ANGELES HOTEL CLARK

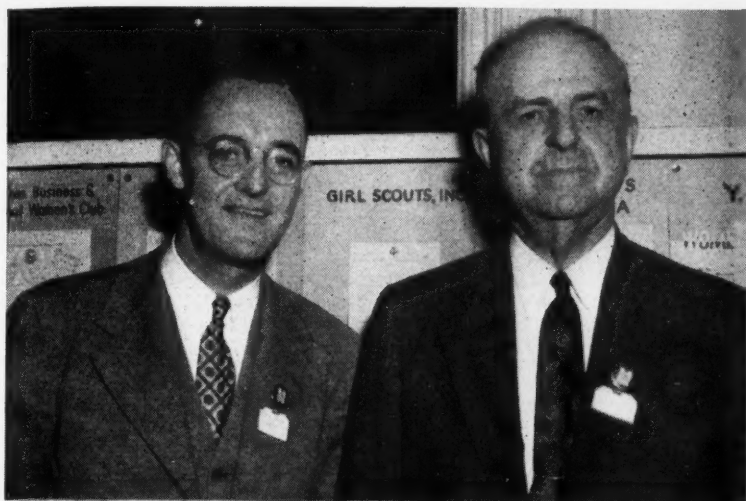
15 Minutes from HOLLYWOOD

WITH the movie capital of the world and radio city within the borders of Los Angeles, entertainment reaches its zenith. Gay nights, laughter and life; sunny days filled with thrills and excitement. In the center of everything is situated the HOTEL CLARK at Fifth and Hill Streets. A hotel where you will enjoy hospitality to its fullest extent; where you will find your every wish anticipated. Whether you stay in Los Angeles for a few days or a month, choose Hotel Clark, downtown in the heart of things.

ROOMS  
555  
BATHS

from  
\$2.50 per day





Personalities at N.A.L.U. annual convention in Chicago: Above—John D. Moynahan, Metropolitan Life, Chicago; Ralph W. Hoyer, John Hancock Mutual, Columbus, O., N.A.L.U. trustee.

Below—Judd C. Benson, Union Central, Cincinnati, chairman nominating committee, and E. A. Crane, Northwestern Mutual, Indianapolis.



At N.A.L.U. convention in Chicago: Above—A. E. McKeough and J. E. Carnal, Occidental Life, Chicago.

Below—W. W. Hartshorn, Metropolitan Life, Hartford, N.A.L.U. trustee, and J. G. Callahan, Metropolitan Life, St. Louis.



For its attainment of the goal set by the U. S. Treasury Department—10 per cent of salary invested in war bonds—the home office staff of Pacific Mutual Life has been awarded the coveted "Target Flag".

One of the first groups to reach the earlier objective of 100 per cent participation in bond purchase through salary allotment, the Pacific Mutual staff took the second goal in stride.

To employees, Asa V. Call, president, expressed appreciation for the fine "response to the call of your nation. You are buying war bonds, individually, to help our country in its tremendous war effort. You are doing a patriotic service, and as good Americans you are entitled to that measure of satisfaction which comes from that knowledge."



C. E. Bratten, supervisor at Dayton, O., for Equitable Society, and Mrs. Bratten on their golden wedding anniversary were surrounded by seven of their eight children and 13 of their 17 grandchildren. Mr. Bratten became associated with Equitable in 1923 and has written more than \$15,000,000 of life insurance, one half of which is group. He has qualified every year for an Equitable agency club and at the age of 73 is one of the largest life insurance writers of Dayton. He is a charter member of the Group Millionaires Club.

Following the celebration Mr. and Mrs. Bratten left for a trip through Yellowstone Park which was arranged as a wedding present from their eldest son.

This full page advertisement will appear in the Saturday Evening Post  
issue of September 26, 1942.



## TOO BUSY TO THINK ABOUT TOMORROW?

Many a father who sincerely loves his family is blinded by the confusion of today to the problems which tomorrow will surely bring. Yet the time to solve those problems is now...

**N**EW wartime demands on family living... new restrictions... new financial problems. Every loyal American realizes their necessity.

Small wonder, then, that these fundamental changes have blinded some husbands and fathers to that *other* job which must also be carried on today... the job of providing money for living for their families and themselves tomorrow.

Policyholders in The Northwestern Mutual—700,000 strong—have found a practical way to look beyond today's many confusions and conflicts. They know that tomorrow—with its new demands and new problems—will surely come. They have chosen Northwestern Mutual Life Insurance as the surest, safest way to provide adequate

future protection for themselves if they live, for their families if they die.

Why have they chosen this particular life insurance company?

They have chosen it for its record of stability through 85 years. They have chosen The Northwestern Mutual as their company because it serves the policyholders' interests. They have learned, from their own experience, that this reaches into every smallest detail of the company's stewardship... that this involves the highest type of responsibility, carried on consistently, unflaggingly, through the generations.

And they have chosen The Northwestern Mutual because it offers them the *low-cost* way to build an

estate... low-cost because this company's insurance charges have consistently been kept low by its strict adherence to rigidly defined principles of management which permit no undue risks or hazards, no costly experiments.

To you in The Northwestern Mutual policyholder group we say: Today your Northwestern Mutual Life Insurance is the most precious asset you possess. To you who may now be planning to join this great group, we affirm: You will find here greater peace of mind for the present, built on the assurance of a surer tomorrow.

See your Northwestern Mutual agent!



**THE NORTHWESTERN MUTUAL**  
LIFE INSURANCE COMPANY • MILWAUKEE, WIS.

Year after year, men and women who already own Northwestern Mutual Life Insurance account for approximately one-half of our total volume of new business.